

# LETTERS

TO THE

## PEOPLE OF NEW JERSEY.

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### LETTER FIRST.

FELLOW-CITIZENS :

The mountain has been at length delivered of a mouse. After months of preparation the railroad Managers have brought forth an "Address," to which they have endeavoured to give weight by procuring to it the signatures of their brother directors, some of whom will, ere long, bitterly regret having given such a certificate of character.

Among them are several who are not supposed to have profited by the practices exposed in my former letters, and I did hope that they would be induced to look into the business of the Company, and not further permit their names to be used as a cover for such transactions. I urged that the sheep should separate themselves from the goats, lest the world should think them all alike. They have not followed my advice and they must take the consequences. The facts I have to give shall be stated freely and fearlessly, and if there be any among these signers to this "Address" who are not implicated, it will rest with them to prove it. I will, as I say, *give* the facts—not *make* them—desiring, in this respect at least, to pursue a course entirely different from that of these Managers.

All the papers issued by these men bear so completely the stamp of their mint, that meet them where we might, we should be sure to recognise them. Thus, in the Reports to the Stockholders, we find apologies for enormous expenditures on the ground of "preserving their capital unimpaired" by maintaining the road in high order, when every one knows that sills have been permitted to rot, until little children have picked out the spikes and carried them off; that bridges have been permitted to decay, until they became mere traps for the unwary passenger; that one of them is at this moment regarded with apprehension by those who chance to be on the water in its vicinity at the passage of a train; and that engines have been used until they have become so worthless as to break down twice in a fortnight, delaying for hours hundreds of passengers! So in this Address we recognise precisely the features that distinguish the Report, signed by the State Directors, and presented to the Legislature at their late session.

It could scarcely have been doubted by the authors of that Report that information as to the railroad was at least as desirable as that in relation to the canal, and yet we find not a word in relation to the \$750,000 expended upon the one, while we can tell the cost of advertising and the amount of fees to lawyers on the other. We can find how many tons of coal passed the canal in *each* and *every* year, but we cannot find the whole number of passengers on the Trenton line for *any* year. We can find the tolls received on the canal, but we cannot find the earnings of the boats employed in towing and transporting coal and merchandise to the canal, because they are kept in the railroad accounts, which are a sealed book to the uninitiated. We can find the salaries paid to lock-keepers on the canal, but we cannot ascertain the mode of division between the *Managers* of the Camden and Amboy road, and themselves in their other capacity of *owners* of the Trenton road. The boatman looks one way, but he rows another. So is it here. The railroad is always uppermost in their thoughts, for which reason the canal is always on their tongues.

So is it in this Address. It is full of the canal, because its writers thought only of the railroad, which is introduced only incidentally. We are told of the anxiety of the State for a canal—of the attempts to procure subscriptions for it, and their failures—of the determination to construct a railroad, and of the exertions to secure a canal, without which it would have been “*lost, and lost for ever,*” and all this we are told because it is proposed to permit the people of other parts of the State to make *railroads* by which they may be enabled to get to market with their produce rapidly and economically. It is really deeply to be regretted that the canal had not been “lost,” even if “lost for ever,” for it has, as yet, done no good to anybody but the Managers. Certainly the people of the Rancocas and other streams on the Delaware can derive little advantage from it while they shall continue to pass in ballast, because of the demands of the Companies for *toll alone* being as much as they could obtain for freight on the goods they might carry; nor could they carry much grain to New York, paying for toll and expenses through the canal more than they and their vessels could earn in passing round the Cape. Had it been “lost,” the State would probably have been long since relieved from the grasp of these Managers, and would now have a dozen railroads that would add more to its wealth in one year than the canal will do, under its present management, in a century.

This Address is like a performance of Hamlet, with the part of Hamlet omitted “by particular desire.” It is a defence of the railroad Company, while the railroad is almost entirely kept out of view; the abuses of the road being to be defended by a very affecting description of the “sacrifices” said to have been incurred in making the canal; sacrifices made in the hope and expectation of large gains, which have been realized out of the profits of abuses; sacrifices for the public good by men whose “patriotism” induces them to claim that their fellow-citizens shall for ever plough their way through mud or sand, in the endeavour to reach the great markets for their produce, lest some unhappy traveller might escape their grasp, and pass from Philadelphia to New York for one dollar where they would charge him four! They have furnished you, my fellow-citizens, with an

affecting romance, which bears to the truth about the same resemblance as does the picture of *Cœur de Lion* given to the world by the author of *Waverley*, to the ruthless tyrant who plundered his people and paid for his tyranny with his life.

Had these Managers desired to furnish you with a less florid account of their proceedings, adhering to strict truth, I think I can imagine the form of address they would have adopted. It strikes me that it would have read as follows :

“Fellow-Citizens :

“We are the living representatives of the ‘wise and patriotic men’ who have, for so long a period, farmed the roads of New Jersey. For half a century we have tolerated no rival near the throne. During the first thirty years of that period, we carried you and your produce, your neighbours and their merchandise, through mud and sand, at our own prices. Frequent attempts at rebellion, to lead, perhaps, to revolution, occurred, but they were invariably put down. With every such occurrence, we reduced our prices so low as to ruin our competitors, and then raised them so high that we were enabled to pay ourselves for our ‘sacrifices,’ and to make large fortunes. Incredible as it may now seem to you, we have charged twelve dollars for ninety miles, and were enabled to obtain it, because we permitted no competition. We kept merchandise on the road as long as we pleased, and we charged our own prices for so doing. We taxed the government heavily for the transport of men and munitions of war, and the consequence was that we waxed fat and rich. The State desired a canal, but we could not see that *it would pay*, and we did not desire interference in the management of our farm. In time, however, the business grew, and it occurred to us, that if we could make a railroad by means of which we should carry men and things more cheaply, while receiving the same price, or nearly so, we should grow rich even faster than we had been doing, and we accordingly applied to the State for a charter for that purpose, for which, as it was a valuable privilege, we were willing to pay. We obtained it, but as it gave us no monopoly, it would not answer our purpose. At the next session, we asked for a prohibition to the people of certain portions of the State to make roads for themselves, upon which they might travel without paying toll to us, and this we obtained. It was, however, obtained at considerable cost, as we were compelled to be very liberal in our dispensation of oyster suppers and champagne. In the mean time, however, another body of speculators who had obtained a charter for a canal, which they found would not pay, had determined to put a railroad on its bank, and we began to fear that our monopoly would be disturbed. They, too, distributed champagne, and they, too, gave oyster suppers, and we concluded, at length, to join company, and boldly ask for a law that should, for the period of thirty-six years, prohibit the people of every part of the State from making any roads that could be used as thoroughfares for themselves or their produce to Philadelphia and New York. We should have greatly preferred to restrict them for ever to the use of such roads as we might think proper to give them, but we trusted to our skill to be enabled to convert a temporary charter into a perpetual one. We recollected the old saying, ‘little



by little the bird builds its nest,' and were disposed to be governed by it. By dint of a profusion of oyster suppers, and copious supplies of champagne, &c., &c., we obtained the passage of this law, whereupon we gave a splendid entertainment for the purpose of celebrating this triumph of our skill. It will readily be seen, fellow-citizens, that we must have made enormous 'sacrifices' in obtaining this privilege, but we regret to say that the history of our 'struggles' for the continuance of our control over the State had '*hardly been written before it was forgotten.*' The suppers and wine had scarcely been swallowed before the men who had granted these privileges, and those outside legislators who had aided us in our *patriotic* exertions, were replaced by new men, 'who knew not Joseph,' and from that day to this our 'sacrifices' in the cause of our country have been continued. We have been compelled to distribute free tickets to thousands, and particularly to the makers of your laws; to give enormous fees to lawyers, and to retain in our employ a large portion of the bar; to advertise in all the newspapers, and to give free tickets to all their editors; to make excursion parties for your representatives, while at Trenton, and to distribute champagne most freely. Yet, great as have been the 'sacrifices' — great as have been our 'struggles for existence,' we have made them cheerfully, feeling ourselves to be the chief citizens of a State that '*never falters in duty to her sons,*' and knowing that you, the people of the State, must regard them as evidences of a 'patriotism' that warrants you in paying us twice or thrice as much as would be charged by others for the performance of the same service. We feel that you must be convinced that in so doing you are but paying a debt of gratitude. We feel, too, that there is, in the words of our colleagues, the State directors, a 'mutuality' in the arrangements between the State and ourselves; and that if we take care of your representatives, your lawyers, and your editors, you cannot hesitate to take care of us.

"Thus far, the result has fully answered our expectations. You have paid us liberally. We have carried you and your produce as we pleased, and at our own price. We have had the monopoly of the trade of the State and through the State, and we have formed among ourselves an infinite number of sub-companies for its enjoyment. We have charged what we pleased, and have accounted to our fellow-stockholders for as much as we thought proper. We have received from ten to twenty dollars per ton for transporting merchandise, and have given them sometimes seven, sometimes five, and sometimes nothing, at our pleasure, which you, fellow-citizens, must admit is a very liberal division of the spoil. The system has answered well. It has enabled us to accumulate large fortunes, and it is because of our patriotic desire to increase those fortunes that we now address you.

"Having thus detailed to you the proceedings within the State, we must now call your attention to those without the State. A body of 'speculators'—of men who thought to carry you and your products, your neighbours and their merchandise, more cheaply than we were willing to do, and thus to 'push us from our stools,' constructed a road from Philadelphia to Trenton, and made an arrangement for laying rails upon the straight turnpike, and the ablest counsel of the

country advised them that they had a perfect right to '*lay their hands upon their charter and say, "these are the statutes of a sovereign state—we are her citizens"*'—the road is ours and we may lay rails upon it if we will.' Having already made heavy '*sacrifices*' in our country's cause, we were not disposed now to falter, and accordingly we bought up all the stock of the Trenton road, and thus put it out of the power of the turnpike men to interfere with us. Admonished by this attempt to interfere with our exclusive privileges, we, or some of us, determined to avail ourselves of this occasion to give to our neighbours a solemn warning, that we, and we alone, were authorized to make roads for you, fellow-citizens, and therefore, having made the purchase privately, we continued purchasing largely on time from unsuspecting persons around us. In short, we made what is called among stock gamblers, *a corner*. Having secured contracts for a vast amount of stock, we raised the price to \$250 a share, or almost treble the original price, and at that we permitted *our friends* to settle with us, thus paying for our stock out of the profits of the speculation. Simultaneously with this, we, or some of us, bought a majority of the turnpike stock. First stopping the laying of rails, we then borrowed the timber and the money in the treasury, which, after a few years we repaid, and thus in mercy enabled the conspirators who would have disturbed us in the management of our farm, to divide twenty dollars where they had paid a hundred. It was a severe '*sacrifice*' to be compelled thus to strip our friends and neighbours, but it was due to ourselves, and to you, fellow-citizens, to prove to all that we were the farmers-general of the state, and that you '*were determined to preserve your laws inviolate.*' The beneficial effects of this course of proceeding are now obvious. Nobody interferes with us or you. When you want roads you ask us to make them, and we do it, or not, as suits our convenience. This is what we call '*mutuality.*' Had we acted otherwise on this occasion you might have had hosts of '*speculators*' from New York, Philadelphia, or Boston, cutting up your farms, and running railroads through them, and the whole state might have become a great network of roads like Massachusetts; but of this there is now no danger. We made the '*speculators*' pay so well for one attempt at interference that there has never been another, nor will there be, so long as you shall continue to preserve '*your laws inviolate,*' whether constitutional or not, remaining faithful in your duty to us, the best and bravest of your citizens.

"Again we say, the system has answered well. *We are satisfied,* and all that we desire is that things may remain as they are. We dislike innovation. We are conservative. We have had our '*struggles*' for power, and have made heavy '*sacrifices*' in champagne, oysters, free tickets, and fees, and charges for advertising, but heavy as they are we are willing to continue them, and all we ask of you, fellow-citizens, is that you will not falter in your '*duty*' to men who have at such heavy cost to themselves, asserted *your* rights.

"Nevertheless, there are in this State as in all others, pestilent demagogues who are endeavouring to teach some of you that you have a right to use your own money, or that of others, to make roads through your own lands, by which to carry the produce of your

farms to such markets as you may prefer, and that by so doing you will be enabled to save three-fourths of what you now pay us, whether for freight or passage. The absurdity of this idea, fellow-citizens, is obvious on the slightest consideration. You, all of you, know that the more peaches there are in market, the *higher* is the price at which they sell, and that the more wagons and steamboats there are, the *higher* are freights, and you must see that the more roads you get the *higher* will be the tolls. The truth of this is so obvious that it would be useless for us to dilate upon it. If, however, there be any of you, fellow-citizens, who doubt that such would be the case, we ask them to look to the past and judge for themselves of the future. When *we* had but one road, we carried passengers at three dollars, but as soon as *we* secured the Trenton road, *we* raised the charge to four dollars. If *we* had three roads we should certainly raise the price to five dollars, and *we* would as certainly add another dollar for every additional one. What would be true of half a dozen roads in *our* hands, would be equally true of as many in *half a dozen* hands. We entreat you, therefore, fellow-citizens, not to be led away by these demagogues, but to come forward and pay down your money handsomely—giving us our usual 20 cents per basket—and not running after these false teachers, who desire to have you believe that if your peaches were carried rapidly to market for five cents, you would get rich faster than if we continue to carry them slowly for twenty. We pray you not to believe them when they tell you that we keep them so long that they rot on the road, that we may keep the market for our own. Our sole desire is, that they may be fully ripe. We gather our own ‘when the dew is on them,’ and we sell them at once, with no other view than that of keeping them out of the way of our neighbours. It is all a mistake. Your interest requires that you should continue to pay high tolls, and gratitude requires that you should not ‘falter in your duty’ to us, even if high tolls should continue to be accompanied by low prices. Even were it otherwise, the limitation is but for thirty years, “and what are thirty years in the lifetime of an empire?” Excuse us for repeating this idea. We gave it to you eight years since, and perhaps before, but good ideas are scarce with us. It is true you will all by that time be dead and gone, and your children will be settled in the West, but by that time we shall be rich enough to own half of the State, and if you do not profit by the expiration of our privileges, we shall have done well, and what is good for us cannot be otherwise than good for you. We pray you, therefore, to avoid these pestilent men. Read none of their pamphlets, and we will take good care to keep the newspapers free from the contamination of any such doctrines. We will continue to advertise largely, and while we shall do so there will be no fear of your being led to believe in the absurd idea that two servants would be better for you than one master. Recollect, that in all countries freights become higher and lands become less valuable as roads become better and more numerous. All experience proves it.”

Such should have been the Managers “Address.” The life of the Company has been one of stock gambling and fraud. Its “sacrifices” have been of conscience. Its “struggles” have been for power. Its “patriotism” has smelt of the breeches pocket.



Deeply as you may have been affected by the narration of sacrifices that have had no existence, you can scarcely have been less startled by the bold assertion of facts equally non-existent, of which I will select a few for comment.

It is asserted that passengers go from Bordentown to Philadelphia in two hours, when the unhappy travellers by the Company's boats know that the time is from two hours and a half to three hours and a quarter, making an average of nearly three hours. It is asserted that to go from Newburgh to New York, twice the distance, requires four hours, when it is well known that the average time is but three and a half, being scarcely more than the average here required for thirty miles, although the Newburgh boat makes numerous stoppages, some of which involve a heavy increase of distance, and loss of time.

It is asserted that the farmer pays no more for his wheat, when every farmer and storekeeper knows that he has had to pay double price within the last twelve months, and when the canal tariff for April last gave *four* cents for the toll on wheat where last year it was but *one*, and that tariff would be now in existence had not its infamy been exposed.

It is asserted that the paper maker pays no more for his paper, when I myself heard the conductor tell the paper maker that the toll had been raised, and the latter assures me that he has paid the increased price.

It is stated that "for the accommodation of the peach trade special trains are run from the different stations on the road from Camden to Amboy," when every peach grower knows that no such train has ever run, except from the peach orchards owned by these Managers themselves. *Additional* trains have run when the business required them, but they have run at the same hours with the other market train, and yet these are called "special" trains!

It is asserted that "the morning dew" would prevent the picking of peaches in season for the morning line, but it is not explained why the morning dew does not affect Managers' peaches that go by that line.

It is asserted that arrangements having been made with a person to send some peaches by the quick passenger line, "others applied, and were accommodated," but it is not stated that he was told that the passenger trains "*carried no freight*"—that the permission was granted to personal solicitation—that he was limited to twelve baskets as a particular favour to himself, "*not to be made general*," while *whole car-loads* went by the same train from the orchards of these Managers.

It is asserted that a second line has sometimes been run on the route from Camden to Amboy, leaving either city at the most convenient hour in the middle of the day, when it is well known that no second line has ever been run on that route from the hour that these Managers acquired the power to compel passengers to pay four dollars, and equally well known that it would not now run but for the application to Congress to open a new post route through the State.

Having by aid of careful examination detected a single assertion that is true, I feel bound to notice it. It is in the following words:

"That the charges for freight are not unreasonable, is proved by the fact that fruits, vegetables and meats, in large quantities, are constantly transported from Philadelphia to New York, pay the freight, and afford a profit to the dealers."

Such is the fact. The Jerseyman is not permitted to go to his great market, which is New York, and he is compelled to go to Philadelphia, a smaller market, already choked with the products of Delaware and Maryland. He is compelled to sell at what he can get, and his produce is purchased by dealers who are enriched at his cost. He is thus ground between the Company on one hand and the dealer on the other, as between the upper and the nether millstone, and he continues poor when he would grow rich if he could go himself to his great market.

For what is not asserted or denied in this "Address," there is much reason to be thankful. It is not asserted that the roads have double tracks, nor is it denied that passengers are detained by hundreds, on the greatest route of the Union, while trains go through the movements of a *quadrille* in endeavouring to pass each other. It is not asserted that the roads are in even decent condition, nor is it denied that bridges are dilapidated and dangerous. It is not asserted that passengers do not wait, by hundreds, for half an hour, for want of an additional ferry boat, nor is it denied that sheep and hogs, and jackasses, and men, and women, dispute for standing room on board a miserable one that is frequently in use. For all these omissions, I am thankful, for it relieves me from the necessity for proving that such things are. Had they made these assertions, or denials, I should not have been surprised, as the boldness of assertion throughout the "Address" is proof conclusive that they stick at nothing.

So bold and unflinching are they, that I am somewhat surprised not to find it asserted that they were now complying with the demand of the State for a train from Camden through Trenton to New Brunswick. Had they done so, it would not have been a grosser departure from truth than is contained in each and every one of the previous assertions. They have not complied with that requisition, and every Jerseyman is still taxed heavily in money and in time when he desires to visit the capital of his own State.

The comparative statements in regard to charges for passage and freight are fraudulent and deceptive, but, as I propose to show that their accounts are no better, and as I am not disposed to allow my attention, or that of my fellow-citizens, to be withdrawn from the examination of these accounts, I do not deem their tables worthy of the slightest notice. They will, I doubt not, be reviewed by abler hands than mine. For the present, I shall confine myself to the examination of their accounts with the State and with their stockholders, pledging myself, in the outset, to prove, by evidence of the **HIGHEST** authenticity, the following facts:

- *First.* That the number of passengers has been far greater than has been reported for the payment of transit duty.

*Second.* That the quantity of freight carried on the railroad has been far larger than the amount reported for transit duty.

*Third.* That the quantity of freight carried on the canal has been far larger than has been reported for transit duty.



*Fourth.* That the returns made to the Treasurer's office have been false and fraudulent.

*Fifth.* That the Company, or its Managers, are largely indebted to the State on that account.

*Sixth.* That the quantity of passengers has greatly exceeded the number reported to the stockholders.

*Seventh.* That the quantity of freight passing on the road has greatly exceeded that reported to the stockholders.

*Eighth.* That the quantity of freight passing on the canal has so greatly exceeded that reported to the stockholders, that a *large portion* of it has paid them *neither freight, nor toll, nor transit duty.*

*Ninth.* That a large proportion of the earnings of the machinery of the Company has never reached the Company's treasury.

*Tenth.* That large sums which have reached that treasury, have subsequently been abstracted therefrom.

*Eleventh.* That the accounts rendered to the stockholders have throughout been falsified to cover those abstractions.

*Twelfth.* That the statements furnished to the State Directors were fabricated for a purpose, and cannot represent any state of things standing, or that should stand, upon the Company's books.

The Managers have been challenged to produce their books, but the challenge has been declined. Since the date of that challenge I have obtained all the evidence that I desired, and I will now furnish it, that you, fellow-citizens, may judge for yourselves of the character of the system that has been endorsed by the signers of this miserable *thing*, called "An Address to the People of New Jersey."

In the following evidence I will make no assertion that shall not be supported by *unquestionable evidence*, such evidence as would be held to be sufficient by any grand jury in Christendom. I am no longer obliged to grope in the dark, as on former occasions. I have obtained documentary evidence of the highest character that will prove all that has been heretofore asserted, and therefore do I claim for the following letters the careful consideration due to a serious examination of a question of the highest importance to yourselves and to the people of the Union.

## LETTER SECOND.

FELLOW-CITIZENS,—

I propose now to review the course of the Managers in their relations with the State.

By the Charter of the Railroad Company, it is provided that “from and after the completion of the said road or roads, it shall be the duty of the Treasurer of the said Company, under oath or affirmation, to make quarterly returns of the number of passengers, and the number of tons of goods, wares, and merchandises, transported upon said road or roads, to the Treasurer of this State, and thereupon to pay to the said Treasurer of this State, at the rate of ten cents for each and every passenger, and the sum of fifteen cents for each and every ton of merchandise so transported thereon.” By the law of February 4, 1831, this provision was modified, and the Company was required to pay “ten cents for each passenger carried across the State between the Delaware River and Raritan Bay.”

What has been the construction of this provision, as thus modified, may be seen by the following copy of one of the returns of the Company.

*Office of the Camden and Amboy Railroad and Transportation Company.*

Return of the number of Passengers and weight of Merchandise transported from Camden, Burlington, Bordentown, the Trenton Delaware Bridge, the City of Trenton, or any other point or place on the Delaware River, to South Amboy, the City of New Brunswick, or any other point or place on the Raritan River or Bay. And from South Amboy, the City of New Brunswick, or any other point or place on the Raritan River or Bay, to the City of Trenton, the Trenton Delaware Bridge, Bordentown, Burlington, Camden, or any other point or place on the Delaware River, for the Quarter ending the 30th day of September 1847.

90,093 Passengers at 10 cents,	-	-	-	-	-	-	\$9,009	30
8163 tons, 13 cwt., 1 qr., 21 lb. of merchandise at 15 cents,	-	-	-	-	-	-	1,224	55

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\$10,233 89

Edwin A. Stevens, Treasurer of the Camden and Amboy Railroad and Transportation Company, being duly sworn doth depose and say, that the above statement and return contain a just and true account of the number of passengers and weight of merchandise transported as above for the three months ending the 30th day of September, A. D. 1847. And for which, according to the best of his knowledge and belief, the said Company under their Act of Incorporation and the Supplement thereto, are liable to pay transit duties to the State.

E. A. STEVENS,  
Treasurer.

Sworn and subscribed before me, the eleventh  
day of October, A. D. 1847,

G. S. CANNON,  
Master in Chancery.

In the Charter of the Canal Company there is a like provision for levying a transit duty, also requiring the returns of merchandise carried to be “under oath or affirmation.”

We see thus, that the State has desired to secure itself in the collection of its dues, by requiring the Treasurers of the Companies to make oath to correctness of their returns, and as a false oath involves the crime of *perjury* on the part of those by whom it is made, and of *subornation of perjury* on the part of those by whom it is procured to be made, she has thus retained the power of punishing criminally any breach of faith to her.

Having thus shown the position of the State towards the Managers, I will now proceed to examine how far their duties towards her have been performed; but preliminary thereto, will ask your attention to sundry extracts from various reports that have at different times been published by them.

In January, 1840, appeared, as I understand, the first account that they condescended to give to the Stockholders of their proceedings. That it was the first, although the Company was then almost ten years old, would appear certainly to be the case, for in it they said that they "had not thought it necessary or expedient," theretofore, "to trouble" their fellow-stockholders "with the details of their business, or to indulge idle curiosity by constant inspection of their books;" and thus we see that they have had from the commencement of their management the same aversion to exhibiting their accounts that is now so manifest. That such should have been the case is certainly not at all extraordinary, nor can it now be deemed so by any one who has attempted to puzzle through any of their sets of figures. In that report are given some tabular statements "taken from the books," that are said to give "the true results of the several designated years." The first of these is said to show "the number of passengers and tons of merchandise that crossed the State;" and the second gives the receipts and expenditures. For convenience of examination, I give them in one.

	Passengers.	Merchandise.	Receipts.	Expenditures.	Net Gain.
1833 . .	109,908	6,043	\$468,142	\$287,091	\$181,050
1834 . .	105,418	8,397	546,993	313,261	233,731
1835 . .	147,424	10,811	679,463	317,491	361,971
1836 . .	163,731	12,508	770,621	363,344	407,276
1837 . .	145,461	10,642	731,995	359,510	372,484
1838 . .	164,520	11,765	754,989	355,249	399,740
1839 . .	181,479	13,520	685,329	258,043	427,286

This report is signed by James Parker, as Chairman of the joint Board, and appended to it are various statements of account signed by Edwin A. Stevens, as Treasurer of the Railroad Company, and by James Neilson, as Treasurer of the Canal Company.

In the following year no report was made, but in 1842, a period of great commercial distress, when the stock of the Company had fallen as low as 64, there appeared a *very* little one, from which the following is an extract:

"It has not been customary for the joint Board of Directors, at their semi-annual meeting for the purpose of declaring Dividends, to make any report to the Stockholders; but the general depreciation of all kinds of property, and the anxiety, uncertainty, and distrust, at the present time in the public mind, in regard to all kinds of Stock Companies, induce them at this time to depart from their general rule, that you may have the means of determining for yourselves the value of your stock in the Canal and Railroad. They therefore take pleasure in submitting to you, a brief, but accurate statement of the business operations of the Companies for the two past years.

RECEIPTS OF THE RAILROAD AND CANAL, FOR THE YEAR 1840.

	<i>Gross.</i>	<i>Expenditures.</i>	<i>Net.</i>
Railroad, . .	565,540 69	244,636 59	320,904 10
Canal, . .	79,467 94	40,769 62	38,698 32
Joint, . .	645,008 63	285,406 21	359,602 42



1841.

	<i>Gross.</i>	<i>Expenditures.</i>	<i>Net.</i>
Railroad, - -	678,711 79	306,029 67	372,682 12
Canal, - -	81,543 44	49,509 09	32,034 35
Joint, - -	760,255 23	355,538 76	404,716 47
Interest paid on all the Loans of the Companies,			189,599 68
Leaving			215,116 79

"The whole number of through passengers, which passed over the Railroad in							
1840,	-	-	-	-	-	-	162,690
"In 1841,	-	-	-	-	-	-	162,810
							<i>Tons.</i>
Merchandise passed through in 1840,	-	-	-	-	-	-	11,207, 10, 0, 23
do. do. do. 1841,	-	-	-	-	-	-	14, 579, 10, 3, 22
The receipts from merchandise in 1840,	-	-	-	-	-	-	\$80,724 20
do. do. do. 1841,	-	-	-	-	-	-	131,371 02

By the following extract it will be seen that these receipts have reference only to the merchandise that passed "through," or "from city to city."

"But the increase in the amount of merchandise transported *from city to city*, will not fail to make a strong impression, when the times and circumstances of the country are well considered. The year 1841 shows an excess over the preceding one of 3,372 tons; and in the receipt from this source of 50,576 82-100 dollars."

In the following year appeared another little report. On a former occasion I asserted that the two from which the above extracts have been made were the only ones that had ever appeared, and I did so after having failed utterly to discover, upon careful inquiry among stockholders and brokers, any traces of the existence of others. Accident has, however, recently enabled me to obtain three others, extracts from which will now be given; but first I desire to call your attention, fellow-citizens, to the fact that when one of the charges against the Managers was that of "concealment," they have omitted to call attention to the very important fact that such reports had been made. The exceeding scarcity of these little documents is evidence that they could not originally have been widely distributed, and the absence of any notice of them in this "Address," is evidence that there now exists no desire to call attention to the fact of their having ever been given to the world.

From that report I make the following extract, being the whole account then furnished of the immense business done by these Managers in that year:

Referring for matters of general explanation and importance to the preceding Report of January, 1842, the Directors beg leave to present a concise statement of their business for the past year:

	<i>Gross Receipts.</i>	<i>Expenditures.</i>	<i>Net Receipts.</i>
Railroad, - -	645,700 20	*279,961 02	365,739 18
Canal, - -	90,334 25	†53,012 32	37,321 93
Joint, - -	736,034 45	332,973 34	403,061 11

The interest paid on all the loans of the Companies for twelve months,	\$193,533 84
Being deducted from the net receipts,	403,061 11

Will leave subject to dividend the sum of	\$209,527 27
Or 7 22-100 per centum per annum.	

\* In the expenditures of the Railroad Company are included the transit duties paid to the State of New Jersey, 24,649 60

† In the expenditures of the Canal, do. do. 10,904 24

The number of passengers which have passed from city to city during the past year, is . . . . . 144,103

The quantity of merchandise carried over the Railroad, is	Tons,	14,226
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January 1844 produced another, of which the following is an extract :

FIRST.

A statement of the business operations from the 1st of December, 1842, to the 31st day of December, 1843.

			<i>Gross Receipts.</i>		<i>Expenditures.</i>		<i>Net Receipts.</i>
Railroad,	-	-	717,062	56	322,124	60	394,937 96
Canal,	-	-	101,289	67	53,122	60	48,167 07
			<hr/>		<hr/>		
			818,352	23	375,247	20	443,105 03

SECOND,

A statement from December 1st, 1842, to November 30th, 1843.

			<i>Gross Receipts.</i>		<i>Expenditures.</i>		<i>Net Receipts.</i>
Railroad,	-	-	675,440	65	280,824	18	394,616 47
Canal,	-	-	94,121	87	48,444	81	45,677 06
			<hr/>		<hr/>		
			769,562	52	329,268	99	440,293 53

THIRD,

Statement from January 1st to December 31st, 1843.

		<i>Gross Receipts.</i>	<i>Expenditures.</i>	<i>Net Receipts.</i>
Railroad,	-	682,831 98	298,951 78	383,880 20
Canal,	-	99,623 47	46,296 49	53,326 98
		<hr/> 782,455 45	<hr/> 345,248 27	<hr/> 437,207 18

The net receipts of the Companies from the 1st December, 1842 to the 31st of December, 1843, being . . . . . 443,105 03

From which the interest on all the loans of the Companies being de-	
ducted,	189,357 04

Leaves subject to dividend, . . . . .	253,748 29
Or 8 75-100 per cent.	

Since the Report of January, 1843, there has been a most encouraging improvement in the business of the Companies. On the Railroad there have been carried between New York and Philadelphia, 163,073 passengers, being an increase in the number of through passengers, over the year preceding, of - - - - - 18,965

And 25,508 tons of merchandise, being an increase of	-	-	-	11,282 tons.
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For January, 1845, we have another, from which I take the following:

The Directors submit to the Stockholders the following statement of the business of the year 1844.

There has been received on the

		<i>Gross.</i>	<i>Expenditures.</i>	<i>Net.</i>
Railroad,	-	784,191 23	*379,234 92	404,956 31
Canal,	-	131,490 71	†47,035 72	84,454 99
		<hr/>	<hr/>	<hr/>
In all,		915,681 94	426,270 64	489,411 30
Deduct interest on loans of the Cos.,				186,930 30
				<hr/>
				302,481 00

Also paid to the Stockholders of the Philadelphia and Trenton Railroad to equalize dividends, 1 per cent. in July, and 1 per cent. in January,	19,984 00
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Net profits,	282,497 00
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* Including transit duties paid to the State of New Jersey,	-	\$23,935 84
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† Including " " " " " "	-	10,547 01
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The Companies have also paid the State on account of dividends this year,	16,000	00
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And interest on bonds,	-	-	-	-	-	-	1,020 00
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Whole amount paid to the State of New Jersey in 1844,	.	.	\$51,502 58
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It will be perceived by reference to the report of 1844, that there has been an increase of receipts over the last year, on the Railroad, of	-	-	-	-	\$101,359 25
And on the Canal, of	-	-	-	-	31,867 24
In all, of	-	-	-	-	\$133,226 49
The number of passengers carried from city to city in 1844, of	-	-	-	-	200,840½
Being an increase over 1843, of	-	-	-	-	37,767

The two following years passed by, so far as I can understand, without any report; for after diligent inquiry I can discover no such document, and we are left, therefore, without even the meagre information that had been furnished in reference to the five preceding years. The times had improved, and the stock had risen, and the Managers were under no necessity for making any exposition of their affairs.

In January last, appeared an eight years' report, containing several tables, to which I shall hereafter have occasion to call your attention, but omit them here as not needed for my present purpose. These are all the publications of this Company, having reference to their accounts, that I know to exist. With this introduction, I will now proceed to show the number of passengers for which the Company has paid transit duty. It is as follows:

1834,	105,416	1839,	180,902	1844,	200,841
1835,	147,423	1840,	162,107	1845,	227,270
1836,	163,651	1841,	163,419	1846,	239,276
1837,	145,460	1842,	164,120	1847,	265,169
1838,	126,688	1843,	165,257		
Total,	-	-	-	-	2,456,999

By reference to the extract, given at page 13, from the little report of 1842, it will be seen that

The whole number of <i>through</i> passengers which passed over the Railroad in 1840, was	-	-	-	-	162,690
In 1841,	-	-	-	-	162,810
The total number of "through" passengers in the two years was therefore,	-	-	-	-	325,500
The total number that paid transit duty was,	-	-	-	-	325,526

It is obvious that the through passengers alone were returned, and that all those who passed from Camden, and Burlington, and Bordentown, and Trenton Bridge, and Trenton City to the waters of the Raritan, and from the waters of the Raritan to those of the Delaware, were omitted. Nevertheless, there must have been filed in the office of the Treasurer of the State, during those two years, no less than eight returns, each of them *authenticated by the oath or affirmation of the Treasurer*, professing to give an account of *all the passengers between the waters of those rivers!*

In the report for 1842, the number passing "*from city to city*" is stated at 144,168, while the number returned as subject to transit duty was 164,120, but for reasons which I shall hereafter explain, I am well satisfied that the latter is the number that was really carried from city to city, and that no way passengers were returned.

In the report of the business of 1843, it is stated that the number of passengers "*carried between New York and Philadelphia*" was



163,073, being an increase over those carried in the preceding year, "from city to city," of 18,965. This of course fixes that 163,073 persons did pass from city to city; but if there has been any doubt of the meaning of the expression "between New York and Philadelphia," the report of the following year would remove it.

It is there stated that "the number of passengers carried *from city to city*, in 1844, was 200,840½, being an increase over 1843, of 37,767," and leaving 163,073 for the latter year.

In the returns for the payment of transit duty, we find 1843 given at 165,296, being only 2,223 more than were admitted to have been carried "from city to city," while in 1844, the number returned is *precisely* that admitted to have passed over the whole line of road "*from city to city*."

It is quite obvious that the returns for these two years do not embrace the passengers from Camden, Burlington, Bordentown and Trenton to Amboy and New Brunswick, nor those from these latter places to the waters of the Delaware; and yet there must have been filed in those two years, returns, *verified by the oath or affirmation of the Treasurer* of the Railroad Company, stating that they did embrace all those persons.

The returns for the payment of transit duty for the three following years, are, respectively, 227,272, 239,276, and 265,169, and as the number carried "from city to city" in 1844, when very few people travelled, was 200,840½, not a doubt can be entertained that these quantities embrace the through passengers alone of the years 1845, '46, and '47, when travelling was so great. Every one of you, fellow-citizens, must recollect that in 1844, '5, and '6, excursion trains ran weekly for several months in the year, carrying passengers almost by thousands, each one of whom was returned as two, having twice "crossed the State." If 200,840½ passed from city to city in 1844, where in the returns for '45 and '6 could room be found even for the excursion passengers, leaving altogether out of view the persons who travelled on business or pleasure between the towns and cities of Jersey on the Delaware, and those of the Raritan or of the Hudson? No such room can be found in those returns, and it is only wonderful, seeing the great apparent increase of through travel, that the number that really travelled "from city to city" was not greater. The increase of the travel on other roads was in a much greater ratio than this, as will be seen from the following statement:

	Baltimore & Ohio.	Balt. & Wash.	Phila. & Balt.*	Pottsville.
1838	- 150,516	83,749	122,600	not open.
1844	- 173,821	99,180	150,000	33,979
1845	- 202,458	103,588	150,000	33,146
1846	- 280,264	157,157	175,000	45,155
1847	- 288,674	151,753	204,000	49,604

It is perfectly obvious that since 1840 the rule of the Managers has been to report only the passengers "from city to city." Such having been ascertained to be the case, we may now look to earlier years. In 1840, the Managers published a ten years' report, in which is given as

\* Estimated from the receipts for passage money.

we have seen "the number of passengers and tons of merchandise transported *across the State*," in which, that for 1836, is given at 163,721, and the weight of merchandise at 12,508 tons. The words, "*across the State*," are equivocal, and may, or may not, apply to through passengers alone. To ascertain how it is, we may turn to the receipts of the year, given in the same report, and there we find them to have been \$770,621,28. Whether these are the receipts of both canal and railroad, or those of the railroad alone, I am unable to tell, for the managers *never* furnish a comprehensible account. It is a rule from which they have never yet departed, so far at least as I can discover. To avoid doing them any injustice, I will deduct the canal receipts, although I entertain scarcely any doubt that the above-mentioned sum has reference to the road alone. In that year the canal received \$54,801 22, leaving as the amount *certainly* received by the road,

-	-	-	-	-	-	\$715,820 06
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In 1840, the Company carried, as we have seen, 162,690 through passengers, and 11,207 tons of freight, having done almost exactly the business of 1836. The gross receipts of that year, of the road, are given at

-	-	-	-	-	-	\$565,540 67
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By comparing these two returns, it will be seen that not only must the number of through passengers in 1837 have been as great as in 1840, but that there is reason to believe it must have been vastly greater.

Again, in 1841, the Company carried 162,810 through passengers, and 14,579 tons of freight, being a slight excess in the latter, and a very slight diminution in the former, and here we find the Railroad receipts given at

-	-	-	-	-	-	\$687,711 79
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The receipts of 1836 exceeded those of 1841 by \$83,000, and yet the quantity of business admitted to have been done is greater in the latter year than in the former, and there had been in the interim no change of price. It is therefore perfectly obvious that the number of through passengers in 1836 was at the least as great as in 1841, and equally so that the returns for the payment of transit duties embrace the through passengers alone.

In 1837, the number of passengers given in the report is only 145,161, and the freight only 10,642 tons, being far less than in 1840, yet the receipts of that year, even after deducting the canal receipts, are \$665,000, and exceed those of 1840 by almost a hundred thousand dollars. It is therefore quite certain that here the returns to the State embrace the through passengers alone.

It appears perfectly clear that the Company *has never paid to the State a single farthing of the transit duty on the passengers from Camden, Burlington, Bordentown, &c., to Amboy and New Brunswick, or from the two latter places to the waters of the Delaware*; and that it is now indebted to the State in the whole amount that should have been paid on them. Before proceeding to inquire into the amount that is due, I will inquire whether the Company has even reported all the through passengers. That it has not done so, appears to me perfectly obvious, and it will be equally so to you upon comparing the following figures.

The number of persons carried "*across the State*," agreeably to the report of 1840, which obviously embraces only those carried "*from city to city*," was

In 1835, -	147,424	Returned to the State -	147,423
1836, -	163,731	“ “ “ -	163,651
1837, -	145,461	“ “ “ -	145,460
1838, -	164,520	“ “ “ -	126,688
1839, -	181,479	“ “ “ -	180,902
	<hr/>		<hr/>
	802,615		764,124

Here we have returns to the State, less by 38,491 than are admitted in the Report to have been carried “across the State,” although that Report embraces none but passengers “from city to city.” It is impossible to examine the above figures without arriving at the conclusion that the reports and returns of this Company are utterly worthless. Here we have a return of 126,688, *sworn to*, while the report gives 164,520! And yet that report includes none but passengers “across the State!”

If any doubt yet remains on your minds, fellow-citizens, of the utter worthlessness of all the statements of these Managers, it will, I think, be removed by an examination of Statement A of the Report of the State Directors, (page 19,) which professes to give “the number of passengers, amount of passage money, transit duties, &c., on the several roads of the Camden and Amboy Railroad and Transportation Company,” from the first of January to the 30th of November, 1847, a period of eleven months.

Before proceeding to the examination of that report, it may be well to state briefly the causes of its appearance. Prior to the session of 1846, it was the duty of the Governor annually to appoint two State Directors, but no attention had been given to it, and the persons then acting in that capacity had been appointed several years before. The law did not authorize them to hold over, and therefore there were in reality no persons authorized to look to the interests of the State. At that session a law was passed transferring the appointing power to the Legislature, and making it obligatory on the persons appointed to make reports upon the business and condition of the Company, and hence it is that we have for the first time, such a document as that which I now proceed to notice, and which is given in full in the Appendix, marked A.

By reference to it, it will be seen that there is there given, in great detail, the number of through passengers, said to amount to	-	-	-	210,3	!
And the number of passengers, also said to amount to	-	-	-	7,777	
				<hr/>	
Making a total of	-	-	-	\$218,172½	
Upon which the transit duty, including the double charge on 1429 excursion passengers is	-	-	-	21,962 20	
And the duty on freight is	-	-	-	6,228 61	
				<hr/>	
Total amount of transit duty for eleven months				\$28,190 81	



Brought forward	-	-	-	-	28,190 81
On the back of the page containing this very detailed account is <i>a single line</i> containing the balance of the returns for the year, in the words and figures following "from the railroad	-	-	-	-	4,826 21"
					<hr/> \$33,017 02

We see here that the returns for the month of December alone, perhaps the smallest one in the year, whether for freight or passengers, are almost double the average of the other months. This certainly looks suspicious, and it will appear far more so when we come to examine the quarterly returns to the State for transit duty. Agreeably to those returns, there were carried across the State in the first quarter

carried across the State in the first quarter	-	-	-	-	43,573
In the second,	-	-	-	-	70,259
And in the third,	-	-	-	-	90,093

Making in the 9 months, from Jan. 1 to Sept. 30, a total of 203,925

Whereas, agreeably to the very detailed account of whole and half passengers given by the State Directors, there were carried in eleven months only

To which must be added for the duplication of excursion passengers,

218,172

1,429

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219,601

Giving for the months of October and November only

15,676

And rendering it necessary for the Company to have carried in December, one of the dullest months in the year,

45,567

Or three times as many as in the two busy months of October and November!—and *one-sixth* of the whole number that passed in the year, the number reported for the payment of transit duty in the last quarter having been

61,243

It must, fellow-citizens, be perfectly clear to you that the whole of this statement, which from its appearance of detail is calculated to produce an impression of great exactness, has been *fabricated* for the occasion, and that it can have no resemblance to anything to be found, *or that ought anywhere to be found*, on the books of the Company. In nine months they carried,

203,925

The remaining 61,243 must have been nearly thus divided, October 28,000, November 20,000,

48,000

Making the total carried in eleven months,

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251,925

And leaving 13,243 for December. And yet we have here a statement of the most particular

kind for the eleven months "ending on the first of December instant," (Report, page 5,) giving the number at only, - - - 219,601

Such reports are utterly deceptive and fraudulent.

It may be asked what could be the object of making such mis-statements. That can readily be explained; but to enable me to do so, I must now ask your attention to a few figures from the *eight years' report* to the stockholders, made in January last. It is there stated that the number of through passengers was as follows:

1840,	153,112 $\frac{3}{4}$	1843,	138,027	1846,	200,096 $\frac{3}{4}$
1841,	153,876 $\frac{3}{4}$	1844,	168,541 $\frac{1}{2}$	1847,	222,921
1842,	140,725	1845,	168,884 $\frac{1}{2}$		

We have seen that the number of "through passengers" carried in 1840 and 1841, was - - - 325,500

In the eight years' report of 1848, those years are *razeed*, the first to 153,112 $\frac{3}{4}$ , and the second to 153,876 $\frac{3}{4}$ , making, - - - 306,989 $\frac{1}{2}$

And thus are *nearly* 19,000 passengers dropped out.

The exceeding particularity with which fractions of passengers are given, is worthy of all admiration.

We have also seen that the number carried "from city to city" in 1843, was 163,073, and in 1844, 200,840 $\frac{1}{2}$ , making together, - - - 363,913 $\frac{1}{2}$

In the eight years' report these numbers are cut down, the first to 138,027, and the second to 168,541 $\frac{1}{2}$ , making together, - - - 306,568 $\frac{1}{2}$

*Here more than 57,000 have dropped out!*

The number of through passengers in 1847, *could not* have been less than that reported for transit duty, as it exceeds by less than one-third the number *we know* to have passed in 1844, and, therefore, we may, with entire confidence, set it down at - - - 265,169

In the eight years' report it stands thus, - - - 222,921

*Forty-two thousand* having dropped out!

It was necessary to enable these State Directors to make a report, and it was necessary *to make it appear as if the way-passengers did pay transit duty*. It was further necessary to avoid reference to the great way-business of the Trenton road, and, therefore, none was given but that which passed on the Amboy road, and perhaps only a part of that. As the through passengers were to be reported to the Stockholders at 222,921, it is obvious that it would not do to give those of the first eleven months at more than we find in the State Directors' report, to wit: - - - 210,3950

Leaving for the month of December, - - - 12,5250

Which is rather less than the true proportion.

Having thus shown this report to have been fabricated to answer a purpose, and having proved that the reports to the stockholders are entitled to no more consideration than the returns made on oath to the State Treasurer, we may now inquire what is the amount due to the State for back transit duties on passengers. Thirty way-passengers "across the State" per train, per day, on an average, for 1847, would give 180 per day, or 66,000 per annum, and this is, I think, much below the truth, as must be obvious to those who see the trains, particularly when bearing in mind that excursion passengers are returned double. The through having been 265,169, the way would then be one-fourth of the through. Applying this rule to 1845, we should have 57,000 only, and the 15,000 excursion passengers that must, as I think, have been carried in that year, would have made 30,000. If so, the number of way, across the State in that year, must have even exceeded 70,000.

The whole number of "through" returned has been,	2,456,999
Adding to this the number dropped out from 1835 to 1839,	38,491
We have a total of	2,494,490
Giving for the way, estimating them at one fourth,	623,622
Grand total,	3,118,112
Upon which the duties were,	\$311,881
Of which the Company has paid <i>on account</i> ,	245,669
	66,112
To which, if we now add interest,	20,000

We shall obtain as the amount now due the State on this account, which is, I believe, far below the truth, \$86,112

It may and doubtless will be asked, how they could venture to publish in Philadelphia statements so widely different from the returns made at Trenton. The answer is readily given. These little reports were never sent to the Governor. Had they been, they would have gone to the Legislature, and would have been printed among the documents of the session, as was the case with that of 1840. Not a copy of any one of them seems ever to have reached any department of the government, as they cannot be found in the State Treasurer's office, nor in the Department of State, nor in the library. A few were issued in Philadelphia and New York, to answer the purpose of sustaining the stock, but further they were not seen. The subject attracted little attention in Trenton, as the Company paid its \$30,000 per annum, and it was taken for granted, on the oaths of the treasurers of the two companies, that the duties did not yet amount to the sum guaranteed to the State, whereas it can scarcely now be doubted that the duties fairly due the State had reached that point long anterior to 1840.

In 1847 it became necessary to enable the State Directors to make a report, and it was equally necessary to make it correspond as far possible with the returns on file for 1846. The number returned as



having "crossed the State" in that year was 239,276, which was without a question the number that went "from city to city;" and that number being in 1847, 265,169, it was required to make it appear as if it embraced all the persons who passed between the waters of the Delaware to those of the Raritan.

It was necessary, too, after eight years, to make some report to the stockholders, and in arranging the account of through passengers it was necessary to keep down the number, so as to leave margin to cover the way passengers who crossed the State, *and for other purposes*, as will hereafter be explained. The little reports were worthless at the time they were issued; and few, if any, were supposed to have preserved them. None were likely to compare them with the great one. None have done so, as I believe, but myself. The risk of detection was therefore very small.

The collection of the balance due the State cannot be difficult, as the parties are all wealthy. It is not, however, by the mere collection of it that the ends of justice will be answered. If crime has been committed, it must be punished. The man who swore that but 126,688 persons passed between the waters of the Delaware and those of the Raritan in 1838, when 164,520 persons are admitted to have crossed the State, and he who swore that but 200,841 passed between the waters of those rivers, when 200,840½ are admitted to have passed "from city to city," must have been guilty of perjury, and all presidents, directors, and other officers, advising and consenting thereto, must have been guilty of subornation of perjury, the penalty for either of which is imprisonment at hard labour for not less than two, nor more than seven years. If, as I believe to have been the case, every return made to the State has been fraudulent, it follows that in the case of the railroad alone there must have been filed sixty such returns, each subjecting the party making it, and those advising and consenting thereto, to that punishment, which would, of course, lengthen out the term of imprisonment, at hard labour, to a period far beyond the natural life of the parties concerned.

The production of these reports by the Attorney-General to a grand jury—and they are now tendered to him for that purpose—would be deemed by that body evidence amply sufficient for putting them on their trial, and it would then rest with them to prove that they did not carry in 1838, 164,520 persons "across the State:" that in 1840 and 1841, 325,508 persons did not pass "through" or "from city to city:" or that in 1844, 200,840½ persons did not pass "from city to city"—and that in other years the returns embraced any more than the mere amount of passengers "between New York and Philadelphia." It being thus placed in the power of that officer to obtain evidence of the probable commission of crime, it will be his duty, from the performance of which he cannot escape, to prefer bills of indictment against all these parties, and have the question decided; and you, my fellow-citizens, will, I am sure, agree with me that if he fail to do this he is unworthy of the office of trust and honour that he occupies.

## LETTER THIRD.

FELLOW-CITIZENS,—

The quantity of merchandise passing on the railroad upon which transit duties have been paid, has been as follows:

1834,	8,395 tons.	1839,	13,507	1844,	25,676
1835,	10,809	1840,	11,424	1845,	27,507
1836,	12,506	1841,	14,652	1846,	29,912
1837,	10,640	1842,	14,226	1847,	43,333
1838,	11,766	1843,	21,035		
Total,	-	-	-	-	255,388

By reference to page 14 it will be seen that in the report made in 1842, it was stated the merchandise that passed *through* in 1840, was - - - - - 11,207 tons.

And that of 1841, - - - - - 14,579 tons.

Both quantities corresponding almost precisely with the quantity upon which transit duty was paid. On the same page it will be seen that by through merchandise, it is expressly intended to express that which passed "from city to city."

In the report of 1843, the quantity of merchandise "carried over the railroad" in 1842, is stated at 14,226 tons, agreeing precisely with the return. In that of 1844, the quantity "carried between New York and Philadelphia," in 1843 is stated at 25,508 tons, the through merchandise thus exceeding by 4,473 tons the whole quantity upon which the duty was paid. That no doubt may remain as to the meaning of the words "between New York and Philadelphia," I request, fellow-citizens, that you will examine carefully the closing part of the extract from that report, as given at page 15, and satisfy yourselves that it refers to "through" passengers and merchandise alone.

The report of 1845 gives no account of the merchandise received in 1844, and after that period we have no report until we come to those of the present year.

It is perfectly obvious that the way merchandise has never been accounted for, and it appears to me quite as much so, that even of the through merchandise a large portion has followed in the track of the 4,473 tons smuggled in 1843, and upon which the transit duties would have been \$672.

Let it now be remarked that for each one of those years there were filed in the office of the State Treasurer, four reports, signed by the Treasurer of the Railroad Company, and certified upon oath or affirmation to contain true returns of the whole quantity of merchandise carried from the waters of the Delaware to those of the Raritan, and then let it be determined what is the value to be attached to such oaths or affirmations.

In 1847 it was required to enable the State Directors to make a report, and it became necessary to give a statement that should make it appear as if the way freight had been included.

Tons.

Accordingly, the through freight, via Camden and Amboy,  
is given at - - - - - 34,965

Brought forward	-	-	-	-	-	34,965
The dutiable way, by Amboy,	-	-	-	-	-	6,321
And the way by Trenton and New Brunswick, at	-	-	-	-	-	427

Making a total of - - - - - \*41,613  
and corresponding in all respects nearly with the amount reported for the payment of duty, while the through freight corresponds nearly with the quantity given in the report to the Stockholders of January last.

That you may understand this perfectly, I now give you "the statement of the transportation" on the road, contained in this eight years' report, giving even the hundreds, quarters, and pounds, that you may admire with me the exceeding particularity of these Managers.

	<i>Through.</i>				<i>Way.</i>			
	Tons.	Cwts.	Quarters.	Pounds.	Tons.	Cwts.	Quarters.	Pounds.
1840, -	11,325	05	2	12	3,356	05	3	04
1841, -	14,652	07	0	05	3,565	19	2	18
1842, -	13,200	17	0	19	4,130	18	0	19
1843, -	19,511	17	0	02	4,152	06	0	27
1844, -	24,902	11	2	15	6,506	16	1	09
1845, -	25,372	16	1	15	7,445	16	2	06
1846, -	26,628	10	1	18	13,276	8	1	18
1847, -	36,707	04	3	26	16,981	17	2	07

Unfortunately, however, for these Managers, we now have the little reports to refer to. In that for 1842, the through transportation is given at 14,226 tons.

In the eight years' report of 1848, as we see, it is only 13,200.

Here are 1026 tons cut out, that must have yielded at least \$12,000.

In the report of 1844, the through merchandise of 1843 is given at 25,508 tons.

In that of 1848, it is cut down to 19,511.

Here are 5997 tons cut out that must have yielded a freight of at least \$72,000!

We may now be morally certain, starting from 1843, with 25,508 tons, that in 1845, for which we have not the aid of the small reports, there must have been carried "through" more even than was returned for transit duty, though even that was - - - 27,508

That 1846 must have been more than - - - 29,912

That 1847 must have been more than - - - 43,333

And, therefore, that so far are these quantities from embracing any of the way freight subject to transit duty, that they do not even embrace the whole of the through upon which it should have been paid. If 4,473 tons could be smuggled through in 1843, how much more easily could 10,000 tons have been smuggled through in 1847, and that they were so smuggled I entertain no doubt. The only evidence to the contrary afforded to the State is the oath of the Treasurer; and what value can be attached to statements certifying, even upon oath, that there passed only 21,035 tons of through and way, while the Managers were publishing little reports, to be read by a few Stockholders, and to aid in raising the value of the stock, in which it was certified that there had been carried 25,508 tons? There can be none.



We know that the through freight of 1843 was 25,508 tons, and yet the eight years' report gives for 1845, and for the great years 1846 and 1847, together only 88,708, or an average of 29,569 tons, while the trade upon almost every other road in the Union was almost trebling itself.

The whole quantity of through freight upon which transit duty has been paid is 255,000 tons; and I entertain strong doubts if this is even one half the quantity that has been carried. Admitting, however, that the quantity smuggled has been only 100,000 tons, the amount due to the State thereon is	-	-	-	-	-	\$15,000
And admitting the "way" to bear to the "through" the same proportion that is given in the State Directors' Report, or about one fifth, the quantity must have been 60,000 tons, upon which there is now due to the State	-	-	-	-	-	9,000
And interest thereon, say	-	-	-	-	-	2,000
						<hr/>
Would swell the amount to	-	-	-	-	-	\$26,000

And that this is very far below the truth, I am well satisfied.

## LETTER FOURTH.

FELLOW-CITIZENS:—

I come now to the Canal, always the scene of the most profitable of the operations of these Managers.

By the provisions of the charter, the Company is required to pay a transit duty on all articles passing from the waters of the Delaware to those of the Raritan, of two cents per ton on inferior articles, such as coal, lime, lumber, manure, ashes, &c.; and of eight cents per ton on superior articles, such as grain and country produce generally, flour, iron, wines, teas, silks, manufactured goods, &c. That you may understand the nature of the returns made under this charter, I now give a copy of one for 1846.

*Return of Freight, Merchandise, and Passengers transported through the Delaware and Raritan Canal for the Quarter ending 31st December, 1846.*

1846.	Tons.	cwt.		
October, November, and December,	9,264		superior at 8 cents,	- 741 12
	103,300	10	inferior at 2 cents,	- 2,066 01
				<hr/>
				\$2,807 13

Middlesex County, ss.

James Neilson being duly sworn according to law, saith that the above statement and return of Freight, Merchandise, and Passengers transported through the Delaware and Raritan Canal, for the Quarter ending on the 31st December, 1846, is true to the best of his knowledge and belief.

JAMES NEILSON.

Sworn and subscribed before me, February  
2d, 1847.

MATTHEW BROWN,  
Justice of the Peace.

The returns made to the State have been as follows:

	Superior.	Inferior.		Superior.	Inferior.
1835	31,670 tons.	26,059 tons.	1842	35,338 tons.	187,949 tons.
1836	36,109	52,357	1843	41,407	198,641
1837	36,004	86,483	1844	58,398	291,446
1838	53,089	66,585	1845	64,470	398,263
1839	41,261	86,136	1846	33,840	380,691
1840	45,515	126,603	1847	109,661	588,740
1841	45,337	129,546			

Before proceeding to the examination of the reports of the Managers in relation to this trade, I must beg you, fellow-citizens, to pause for a moment and examine this statement. By it it would appear that the quantity of grain, flour, iron, and general merchandise that passed in 1846 was scarcely more than in 1835, and *less by almost forty per cent than in 1838!* To such of you as have witnessed the wonderful increase of steamboats employed in carrying and towing merchandise to the Canal, and the number of steamboats loaded with merchandise passing through the Canal, and the number of barges heavily laden passing on it, this must appear most extraordinary. What all these large boats, and small boats, and barges, and the men employed in them, can have been doing is a mystery to me, as it must be to you. On a very moderate estimate, the machinery employed in 1846 was certainly *eight times greater* than in 1838, and the business transacted was *two-fifths less!* These Managers are strange people. They have spent many hundreds of thousands of dollars of Company money in building boats, and they and their friends have invested vast sums in building other steamboats and capacious barges, all intended for the transportation of merchandise, and yet *so far as we are to judge by the returns for the payment of transit duties*, the business done is not as great as when they owned only three or four little and insignificant freight boats, whose joint cargoes would not equal those of the Independence and Burlington, enlarged as they have been at heavy cost. It is, certainly, a wonderful Company!

The report of 1840, while professing to give the fullest information, gives *not one word* as to the business that had been done down on the canal, or the receipts from it, but it does inform us that the Company had advanced "on good security" the large sum of \$117,000 to parties engaged in business connected with it. Who those parties were, or what was the security, we are not informed, but we can readily see that this immense sum has disappeared, not one word being said in reference to it in the great report of 1848. The common impression is that it was lent to some of the Managers, and this may account for the ease with which it has dropped out of the accounts. On turning to the tables appended to the report, we find the receipts and expenditures of six years, given in six lines, with not a word of explanation of any kind! Such are the copious reports of these Managers!

In all the reports from 1840 to that of 1848, not one word is said of the really important business of this work—the transportation of merchandise—but the quantity of *coal* carried through it is regularly enlarged on, the Managers doing here as they have always done,

talking most of those things which are least in their minds. Why the coal business is talked of, and the merchandise business is not, will, I think, soon become apparent to you, my fellow-citizens, and you will then begin to agree with me that we have a large account to settle with these Managers.

By reference to the Statement marked D, in the State Directors' Report, (p. 23,) you will see that the amount of tonnage transported through the Canal in the year 1847, was as follows :

Superior articles, to wit, merchandise, produce,	
&c. - - - - -	109,611 tons,
Inferior articles, as coal, lumber, lime, ashes, &c.	588,740 "
Total - - - - -	698,351
And that of the latter there was of coal - - -	540,200 "
While the quantity of coal that passed in 1846,	
was but - - - - -	340,000 "

And this is all the information given in relation to the business of the canal, of which the State owns one fifteenth, and of the trade on which she has never before had one single word of information! Well might your Legislature have exclaimed, "Bring us no more of *such* reports."

In the report to the Stockholders, who have been kept, as we have seen, quite as much in ignorance as the Legislature, the following information is given. First. There is a statement of the gross receipts and gross expenditures. Second. A statement of the total weight of merchandise of all descriptions, from 1834 to the present time, the six last years being thus given :

1842, 233,268 tons, of which in another table the coal is	
given at - - - - -	171,755
1843, 240,049 - - - - -	193,506
1844, 350,384 - - - - -	267,496
1845, 462,733 - - - - -	372,076
1846, 424,702 - - - - -	340,000
1847, 700,408 - - - - -	540,200

Next, we are told how much coal went from Richmond, how much from Bristol, how much from the Schuylkill, and how much in boats and barges and sailing vessels, &c., &c. Always coal! coal! coal! *but never general merchandise.* Further, we are told that there passed on it—

93,432 barrels of flour,  
552,521 bushels of grain,  
24,710 tons of iron,  
15,133,288 feet of lumber, and  
86,041 tons of maize.

I beg now, my fellow-citizens, to invite your attention to the skill with which their accounts are contrived. The State requires to be informed of the quantities of superior and inferior articles. It is told how much is coal, and it can then readily ascertain how much is lumber, lime, ashes, &c., but it hears nothing of the details of the



superior articles, and thus a margin of 109,661 tons is left to cover all the grain, and all the general merchandise, that are transported.

The stockholder knows nothing of the quantity of inferior articles. All that he knows is, that in all 700,000 tons have been carried, and he may safely be informed that so much grain, and flour, and iron, and coal has passed, and yet leave margin for all the general merchandise. It is the greatest system of fraud and imposture in the world.

I now ask your attention to the following extraordinary fact, which proves, conclusively, if indeed proof could be needed, the deception that is practised by these men, addressing at one moment the State, and at another the stockholders.

The State is told that the quantity of superior articles is 109,661 tons.

The stockholders are told that there have been carried on the canal,

24,710 tons of iron,	-	-	-	-	-	24,710
86,041 tons of maize,	-	-	-	-	-	86,041
93,432 <i>barrels</i> of flour,	} which, converted into tons	}	we find to give	-	-	8,900
552,621 <i>bushels</i> of grain,						13,800
Total,						133,451

And thus while the report to the collector of transit duties, *sworn to* by the Treasurer of the Company, gives less than 110,000 tons, that made to the receiver of dividends admits above 133,000, and even that is less than the truth by almost 100,000 tons, as I will now show.

Appended to the "Address" now under review, is a statement of the business of the canal, that contains more information in relation thereto than had been published since the construction of the work. It gives the amount and kinds of articles carried through in the month of May last, and is as follows :

	Tons.
Coal,	67,478
Grain and feed 26,350 bushels,	615
Lime, 44,229 bushels,	1,490
Salt, 1,550 bushels,	52
Timber and lumber, 1,525,957 feet,	3,178
Pig and railroad iron,	1,675
Flour and corn meal, 4,833 barrels,	440
Whiskey, 531 barrels,	66
Fish, 97 barrels,	14
Nails, 1,805 kegs,	90
Hay and straw,	368
Ice,	803
Stone,	668
Sand,	365
Clay,	375
Brick, 72,770	145
Merchandise,	6,666
By canal, tons,	84,488

We here see that the quantity of coal, lime, salt, timber, hay and straw, ice, stone, sand, clay and brick, <i>inferior</i> articles, is,	74,922
That of grain, flour, corn meal and iron, the superior articles above particularized, is,	2,730
Leaving for general merchandise, dry goods, groceries, cotton, fish, nails, whiskey, superior articles not above referred to,	6,836
Total,	84,488

From this we may obtain some idea of the real amount of the trade on the canal in the last year. May is not a month of large business. That of the spring is over, and the preparations for autumn have not commenced. It is perhaps an average month, and if we multiply it by twelve we may obtain the amount of the year's business. May, 1848, is not, however, an index to May 1847. The business of the latter was probably one-half greater than that of the former. In taking the May of the present year, I shall, therefore, obtain an amount *far inferior* to the true one, but I will assume it as a standard, and that gives for the quantity of general merchandise transported on the canal last year, tons, 82,032  
To which are now to be added the flour, grain, iron and corn, 133,451

Making, of superior merchandise, a total of tons	215,483
--	---------

And yet there must be in the Treasurer's office, returns filed by the Treasurer of the Company, and sworn or affirmed to by him, certifying that the whole quantity of superior merchandise that passed in 1847 was 109,661 tons! Of what value are the oaths, or affirmations of such men? And yet such are the men to whom the State delegates the power of regulating the intercourse between the several parts of the State with each other, and with the Union!

Having thus examined 1847, we may now examine 1846.

By reference to the statement of returns for transit duties, *sworn to by the Treasurer*, you will see that 414,531 tons passed in that year, yet I have now before me a report to the Stockholders certifying that 424,702 tons did pass. Even were there no more than this, here would be above 10,000 tons, the duties upon which would be about \$800. This, however, as I will now show you, is a mere trifle.

By the returns, *sworn to by the Treasurer*, there passed in the first six months of that year, 12,798 tons of superior merchandise, and in the last six months 20,042, making a total of 32,840 tons.

By reference to the return copied above from the "Address," you will see that the Managers admit having carried in the single month of May, in the dull year 1848, 9,566 tons of superior merchandise, being almost two-thirds as much as was reported to the State for the six months of the prosperous and active year 1846! This is certainly wonderful, but it will appear more so when we examine into the quantity of machinery employed in transporting this small amount of merchandise.

The Steamboats employed in carrying and towing merchandise to and from the mouth of the Canal were as follows:

The Steamboats that carried merchandise from port to port, through the Canal, were

The freight barges then employed, averaging 135 tons each, were the

The Independence,  
The Swan,  
The Burlington,  
The New York,  
The New Jersey,  
The Raritan,  
The Thistle,  
The Philadelphia,  
The Amboy,  
The Camden,  
The Transport,  
The Rainbow,  
The Princeton.

The Ironsides,  
The Black Diamond,  
The Vulcan,  
The G. Washington,  
The Anthracite,  
The Col. J. Stevens,  
The Ocean,  
The Ashland.

Shark,  
Philadelphia,  
Venus,  
Whale,  
Michigan,  
Middlesex,  
Cygnet,  
Conestoga,  
Mars,  
Albany,  
Star,  
Dolphin,  
Orb,  
Delaware,  
Grampus,  
Comet,  
Oncida,  
Porpoise,  
Cayuga, and others.

Here are 21 steamboats and 19 barges, and the list is yet incomplete. Allowing each to have carried back and forth only 100 tons per week, which they were certainly competent to do in addition to towing the coal, they would have carried *in a single month* 36,000 tons, to which would require to be added all the work of transient vessels, which might certainly be taken at 2000 tons, making in all 38,000 tons; and yet with all this wonderful mass of machinery, the quantity returned to the State for the payment of duties *in six months* is but 12,798 tons, and the quantity admitted in the report to the Stockholders but little more.

In view of all these facts it may, I think, be considered certain that there must have passed the canal in that year, of superior articles, not less than 150,000 tons, the duty upon which would have been \$12,000 whereas the amount returned and paid for yielded less than \$2700. We may now, I think, understand why these Managers have been accustomed to make no reports of the business on the canal, and why the words "general merchandise" never occur, even by accident; and may appreciate at their full value the oaths by which their returns are accompanied.

It is one universal system of fraud and deception. They are always looking one way and rowing another. When they think of the profits of transporting general merchandise, they talk of coal. When they think most of the railroad, they write of nothing but the canal, as witness their "Address." When they are anxious to have more boats for the canal they talk to stockholders a great deal about the railroad, as witness the following extract from their last report. The italics are my own.

"The increasing business *on the Railroad* during the few past



years, rendered necessary a very large outlay of capital, properly and economically to conduct it. Since the date of the detailed report of 1840 eight steamboats and steam vessels have been built or purchased, viz., the John Stevens, John Potter, Transport, Princeton, Rainbow, Camden, Amboy, and Washington. Their force in locomotive engines, passenger cars, freight cars, and crates, and their docks, and buildings at each terminus of the road, have also been greatly enlarged and greatly increased in number."

I pray you now, my fellow-citizens, Stockholders as you are in this road, to compare this passage with the business *accounted for*, and then determine the object with which it was written. You are told of increasing business during the last few years, rendering necessary an increase of cars, when the first class passengers *accounted for* during every year from 1840 to 1846 were fewer than in 1839. You are told of the business of the *Railroad* rendering necessary numerous steamboats, when the boats thus enumerated have never, as I believe, transported a single ton of merchandise that passed over a foot of railroad, and when the whole increase of the last four years over 1839, *accounted for*, has scarcely exceeded forty tons per day!

"The increasing business of the Railroad" is given as a reason for building and buying boats, and nothing is said of the work of towage and transportation for which those boats were needed, because it suited the purposes of the Managers to keep it out of view, as you were not to be paid for it. For if you have not been paid, as you have not had credit for a single dollar of the earnings of those and numerous other boats, built at a cost of hundreds of thousands of dollars, and maintained at a cost of hundreds of thousands of dollars annually, nor will you ever have that credit until you shall elect to the Legislature honest, intelligent, and determined men who will insist upon a thorough and complete investigation of the proceedings of this great monopoly. When that time shall arrive, you will find that the Independence, enlarged in 1844, at a cost of \$6000, and the Burlington, also enlarged, were sufficient for all the increased business of the Railroad for which you have been paid, *and more*, and you will find, too, that the Camden, the Rainbow, the Princeton, and other boats, were wanted for towing coal and merchandise to and from your canal, *a business not mentioned in these reports*, and one for which you have not been paid.

When that day shall arrive, you will probably also learn what became of the enormous quantity of one hundred and seventeen thousand dollars worth of boats for the transportation of coal, built with your money, for the repayment of which these Managers held "good security."\* The boats have disappeared. The "security" has disappeared. Their earnings have never found their way into their accounts, nor will they ever do so.

When that day shall arrive, you will have a settlement with these Managers for the transit duties that are yet unpaid. The merchandise smuggled through last year must have exceeded 100,000 tons, and the duty thereon would have exceeded, - - \$8,000

Taking the average smuggling of 15 years at only 25,000 tons, there

\* Report of 1840, p. 11.

would be 375,000 tons, and the duty unpaid, with interest thereon,	
would exceed	\$30,000
To this add the unpaid duties on Railroad freight,	26,000
And the duties on passengers,	85,567

And we obtain an amount of duties yet unpaid, of \$141,567  
Which I am well satisfied is less than the amount that is due you by these men on this account alone.

To take a false oath is a crime punishable by imprisonment. To induce men to take false oaths is also a crime. The one is called *perjury*, and the other *subornation of perjury*. The object of the Legislature in requiring returns to be made on oath, was that of deterring from crime by the fear of punishment.

I ask you now, my fellow-citizens, to say if there is not good reason to believe that crime, and enormous and long-continued crime, has been committed, and if it is not the duty of your Attorney-General to prefer bills of indictment against all the parties concerned in these transactions? If reason good for that belief does exist, then must that duty be performed. If it be not, the world will say, and with reason will it say, that in this State small criminals may be caught, but great ones can and will escape. Small ones are perpetually arrested and held for trial when the evidence against them is far less conclusive than that which has been adduced in this case; and what is law for the small man should be law for the great one.

## LETTER FIFTH.

FELLOW-CITIZENS:—

In the year 1840, the Directors made a report, in which they say that “they have not thought it necessary or expedient heretofore, during the progress of the works, to trouble” the Stockholders with “details of their business, or to indulge idle curiosity, by constant inspection of their books, but they now, as a proper return” for their “unwavering confidence,” lay before them “everything, from a snow-plough to a steamboat.” Throughout that report we find, as now in this Address, a great deal of glorification of the Company for its patriotism and munificence, its high aims for the general good, &c., &c., they having always regarded the interests of New Jersey as “the chiefest thing;” an assertion that must have been as amusing to those who wrote it, as it must now be to all who read it, and happen to be familiar with the system of the Company.

The cost of the works is stated to have been	\$6,064,953 42
Of which there had been received from Stockholders	2,996,000 00
And the debts at that time appear to have been as follows:	

American loan, amount not given, but the net proceeds stated at	\$832,513 27
English loan, of £210,000, say	1,008,000 00
do. do. 225,000, say	1,180,000 00

The report contains an abundance of figures, but, as is always the case with these Managers, everything is left to be guessed at.

The general result is thus given :

Total amount of net profits, after deducting interest and all other expenditures	-	-	\$1,962,354 04
Of which there has been paid to the Stockholders in dividends	-	-	1,595,000 00
Leaving an amount of net profits undivided	-		\$367,354 04

Such is *the whole account* of six years' business, and how those figures are obtained no human being can tell. There are lots of tables of receipts and expenditures, but *none are even added up*, and those who may take the trouble to add them up will find no result at all corresponding with this. There is no statement as to the quantity of interest that has been paid, or of dividends that have been made, nothing of any kind, in short, that can enable any inquisitive stockholder to determine for himself whether or not he has received value for his money. Such a report was never, I am well satisfied, made to any body of stockholders in this or any other land, and yet, to one who did not examine it, it would wear the appearance of being tolerably full and complete.

The next report professing to give any explanation of the condition of the Company, is dated *eight years after*. In the intermediate time the stockholders had been several times informed how much money had been received, and how much had been expended, and occasionally how much interest had been paid, but nothing more. In this new report, dated January 12, 1848, there is a general account of the receipts and expenditures of both Railroad and Canal, which I now submit, fellow-citizens, to your examination, praying you to observe that not a column is added up, not a word is said about interest paid, or dividends made, and that there is not even an attempt to explain the manner of disposing of all these vast sums of money.

AN ANNUAL STATEMENT OF THE JOINT RECEIPTS AND EXPENDITURES  
OF THE RAILROAD AND CANAL.

Years.	Gross Receipts.	Expenditures.	Net Receipts.
1840.	627,641 81	303,207 39	321,414 42
1841.	631,559 12	336,153 76	295,405 36
1842.	725,670 14	339,083 25	386,586 89
1843.	796,400 94	352,074 38	444,325 56
1844.	912,199 88	426,270 73	485,929 15
1845.	1,050,563 01	620,457 81	430,105 20
1846.	1,183,430 13	675,708 82	507,721 31
1847.	1,405,704 77	835,712 41	569,992 36

The transit duties on passengers and merchandise carried on the Road and Canal, are included in the expenditures above amounting to \$273,721 12-100ths.



ANNUAL STATEMENT OF RECEIPTS AND EXPENDITURES OF THE CAMDEN AND  
AMBOY RAILROAD AND TRANSPORTATION COMPANY.

Years.	Gross Receipts.	Expenditures.	Net Receipts.
1840.	543,173 87	265,457 77	282,716 10
1841.	550,015 58	286,644 67	263,371 01
1842.	635,335 89	286,070 93	349,264 96
1843.	695,111 27	298,951 78	396,159 49
1844.	780,709 17	379,235 01	401,474 16
1845.	882,751 43	560,408 22	322,343 21
1846.	1,022,253 10	597,398 94	424,854 16
1847.	1,150,383 26	741,917 96	408,465 30

AN ANNUAL STATEMENT OF THE RECEIPTS AND EXPENSES OF THE  
DELAWARE AND RARITAN CANAL.

Years.	Gross Receipts.	Expenditures.	Net Receipts.
1840.	79,467 94	40,769 62	38,698 32
1841.	81,543 44	49,509 09	32,034 35
1842.	90,334 25	53,012 32	37,321 93
1843.	101,289 67	53,122 60	48,167 07
1844.	131,490 71	47,035 72	84,454 99
1845.	167,811 58	60,049 59	107,761 99
1846.	161,177 03	78,309 88	82,867 15
1847.	255,501 51	93,794 45	161,707 06

Of this most extraordinary account the Managers say it is "a general statement for the last eight years, from 1840 to 1847 inclusive; by which a connexion is made with the full and elaborate report to the Stockholders" at the special meeting, Jan. 20, 1840.

To me it appears, fellow-citizens, that this connexion is precisely what is not made, and precisely what was not intended to be made. The one account closes with \$367,354 of profits undivided, and the other begins with nothing. If we seek in the report for any explanation of this, we shall not find it. This sum of \$367,000 is never mentioned, any more than the \$117,000 balance of cash in the Canal account.

On turning back to the proceedings of 1840, we find that the former sum having been, as was alleged, expended in the completion of the works, the Board was authorized to issue bonds to that amount, and in a little report issued in 1843, we find a list of the debts of the Company, in which is one of \$367,000, which we may suppose to have been created at that time, but in no report whatever is there any reference to the fact of its having been done. The proceeds were ordered to be divided, retaining on hand a fund not exceeding 100,000 dollars. Of how much was divided, and how much retained, we have no information. By referring to the State Directors' Report, of the present year, we see, however, that the State holds bonds issued at that time, amounting to \$17,000, and as we know that the State holds  $\frac{1}{3}$ th of the stock, we may suppose there was divided - - - \$255,000 The Trenton Railroad Company having been, as it is stated, entitled to one-half of \$165,270, we may suppose it to have received, - - - - - 82,635

Making the whole amount divided, - - - \$337,635

And leaving in the treasury about \$30,000 on the day on which the above account commences.

You will see, fellow-citizens, from this statement, the sort of accounts furnished by these Managers. Nothing is stated with a desire that it shall be comprehended by anybody, and if information be sought, it is necessary to grope our way in the dark, in a manner unknown to any other Company or Institution that has ever existed in this country, if even in the world,—and that it is so is due to the fact that it is the most extraordinary system of speculation and imposture in the world.

Nearly simultaneously with the appearance of this eight years' report to the Stockholders, the State Directors made their report to the Legislature, in which is given the following

*Statement of the net receipts, dividends, and capital of the Delaware and Raritan Canal and Camden and Amboy Railroad and Transportation Companies, showing the surplus in each year.*

Year.	Net receipts.	Dividends.	Capital.	Net surplus.	Net surplus added to surplus of preceding year.
1840	203,112 55	180,000	3,179 32	+19,932 58	= 19,932 58
1841	215,116 79	180,000	3,423 97	+31,692 82	= 51,625 40
1842	209,527 27	180,000	4,784 00	+24,743 27	= 76,368 67
1843	253,748 29	210,000	6,686 77	+37,061 52	=113,430 19
1844	282,497 00	240,000	3,860 39	+38,636 61	=152,066 80
1845	234,962 69	270,000	5,913 97	—40,951 28	=111,115 52
1846	310,025 33	300,000	10,986 58	— 961 25	=110,154 27
1847	190,471 42	180,000	13,449 22	— 3,077 80	=107,076 47

I pray you now, fellow-citizens, to examine carefully these figures, and to recollect that they contain *all* the information furnished *during the whole period of eight years* to your representatives, and that they are unaccompanied by a single word of explanation. Compare them with the Report to the Stockholders, and try, if possible, to comprehend their connexion with each other. To me they were for a long time a riddle that I could not read; and yet such a collection of figures as this, utterly incomprehensible as it is, is furnished by your representatives at the Board to your representatives in the Legislature, after having “during the last six months, pursuant to the requirements of the statute, made a *strict and thorough* examination of all the business accounts and transactions of the Companies.” How “strict and thorough” it was, I shall shortly show.

That you may now appreciate in full the value of all accounts furnished by these Managers, I will invite your attention to the following extract from the little report made in 1842.

Receipts of the railroad and canal for the year 1840.

	Gross.	Expenditure.	Net.
Railroad, -	\$565,540 69	\$244,636 59	\$320,904 10
Canal, -	79,467 94	40,769 62	38,698 32
	<u>\$645,008 63</u>	<u>\$285,406 21</u>	<u>\$359,602 42</u>

If you will now turn to the same year in the general account given above, you will find the receipts of the railroad *cut down* to \$548,173 87, the expenditures *increased* to \$265,457 77, and the net receipts of the year reduced to \$321,414 02, making a difference of the enormous sum of above \$38,000! On a future occasion, I shall show that the trade and travel are cut down in a manner to correspond with this.

In the same biennial report, we find the following for 1841.

	Gross.	Expenditure.	Net.
Railroad, -	\$678,711 79	\$306,029 69	\$372,682 12
Canal, -	81,543 44	49,509 09	32,034 35
	<hr/>	<hr/>	<hr/>
	\$760,255 23	\$355,538 78	\$404,716 47

The report made in 1848 gives the following figures for the same business:

\$631,559 12	\$336,153 76	\$295,405 36
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Making a difference in the net receipt of the year of above \$109,000, and in the two years of \$147,000! You will now be able, fellow-citizens, to judge of the value of the statements furnished by these Managers, your partners in this great monopoly.

The interest payable in this latter year is stated in the

little report at - - - - -	\$189,599 68
Leaving to be divided, - - - - -	215,116 79
Let us now take the profit as given in the eight years' report, to wit: - - - - -	295,405 36
And deduct the interest, - - - - -	189,599 68

And there will remain to be divided only -	\$105,805 68
Showing a difference of nearly \$110,000.	
Out of the profits of this year, the managers <i>did</i> divide	180,000 00
They <i>did</i> pass to an imaginary account called 'capital,'	3,423 97
And they laid by a surplus of - - - - -	31,692 82

Net receipt per State Directors' statement - \$215,116 79

Being precisely the quantity first admitted to have been made, although afterwards *razeed* to \$105,805 68, in the *only account of eight years of large business* to which any stockholder can turn, with a hope of being able even to *guess* at the balance that should be in the treasury!

Coming now to the year 1842, I can furnish the following extract from the little report made for that year.

	Gross receipts.	Expenditures.	Net receipts.
Railroad, -	\$645,700 20	\$279,961 02	\$365,739 18
Canal, -	90,334 25	53,012 32	37,321 93
	<hr/>	<hr/>	<hr/>
	\$736,034 45	\$332,973 34	\$403,061 11

In the eight years' account, these figures stand:

\$725,670 14	\$339,082 25	\$386,586 89
--------------	--------------	--------------

The difference here is less than \$17,000. Here we have in three years the enormous sum of \$164,000 *cut out of the accounts*.



We now come to 1843, in which, singularly enough, the net receipts are given at \$443,103 03, being \$1300 less than are given in the eight years' account. This is altogether a remarkable year. It is the one in which the returns for the payment of transit duty exceed the number of through passengers admitted to have been carried, and in which the Managers admit the net profits to have been more than they had at first admitted. My first impression was that the Managers had forgotten themselves; but I afterwards discovered that both had resulted from a blunder in *selecting* the figures that were to be used, as will hereafter be explained.

What, however, can be the value of such accounts? Although the amount of net receipt differs but \$1200, the amount of gross receipt and expenditure differs above \$20,000, as follows:

Report of 1843,	-	\$818,352 23	\$375,247 20	\$443,105 30
Eight years' report,-		796,400 94	352,074 38	444,325 56

For the next year the two accounts are as follows:

Report of 1844,	-	\$915,681 94	\$426,270 64	\$489,411 30
Eight years' report,-		912,199 88	426,270 63	485,929 15

Here the disappearance is less than \$3500. The total amount that appears to have been abstracted, after deducting the little surplus of 1843, is \$167,000!

In the little report for 1844, the net profits, after deducting \$186,930 30 for interest, and \$19,984 for the Trenton Company, are stated at - - - - \$282,497 00

The net profits, as given in the eight years' report, after making the same deductions would be - - - \$279,013 85

And yet these Managers, after dividing \$240,000, and placing \$3,860 39 to the imaginary account called "capital," retained on hand a net surplus of \$38,636 61, making in the whole, as will be seen by reference to the statement furnished by the State Directors - - - \$282,497 00

It might possibly be supposed by some of you, my fellow-citizens, that some reason has been discovered for making these alterations, but that idea will be effectually removed by examining this State Directors' statement.

The net receipts of 1840, as given in the little report				
of that year, were	-	-	-	\$359,602 42
The interest was about	-	-	-	189,600

Leaving for dividend, about	-	-	-	170,000 00
To this must now be added the surplus in the Treasury,				
Jan. 1,	-	-	-	30,000 00
				<hr/>
				\$200,000 00

And thus we have a sum nearly resembling that with which their table begins.

If on the contrary, we take the net receipts of that year			
as given in the eight years' report,	-	-	\$321,414 42
And deduct the interest,	-	-	189,600 00
			<hr/>
			131,814 42
And then add the surplus on hand,	-	-	30,000 00
			<hr/>
We shall obtain only the sum of	-	-	\$161,814 42
The little report of 1841 gives as the net surplus after			
deducting all the interest,	-	-	215,116 79
That of 1842 says that the amount subject to dividend, is	-	-	209,527 17
That of 1843 says	"	"	253,748 29
That of 1844 says	"	"	282,497 00
			<hr/>
			\$960,889 25

All corresponding to a cent with the quantities given by the State Directors; and yet if we take the eight years' report we find the net profits to be as follows:

1841—\$295,405 36— <i>minus</i> interest,	\$189,599 68	\$105,805 68
386,586 89	" " 193,533 84	193,053 05
444,325 56	" " 189,357 04	254,968 52
485,929 15	" " 186,930 30	279,014 85
And dividend to Trenton Company,	19,984 00	<hr/>
		832,842 10
Difference in <i>five</i> years, above	-	\$166,000 00

The correctness of the first statements is therefore perfectly confirmed by the State Directors' Report, while the fact that the figures in the eight years' report have been *manufactured* for the purpose of covering a large amount of abstraction from the Treasury of the Company is fully confirmed.

But, it will be asked, how can these accounts be made to correspond with each other in their balances? That question cannot be fully answered, as the Managers have afforded to the Stockholders no means of knowing what is the balance to their credit—the accounts being, as usual, not added up, and every man being left to guess at the sum that may possibly be in the Treasury. That they have by some species of contrivance, been made to correspond, I have no doubt; and I can now show two operations having for their object that of producing such correspondence, and showing the statement furnished to the State Directors to be as false and fraudulent as the one given to the Stockholders.

The dividends above given are calculated upon a capital of three millions, whereas they were made upon \$2,900,000 only, that on the remaining \$100,000 having been included in the payments for transit duty, as I will now show.\* The amount of duty payable by the Railroad Company in 1840 was \$17,924 56. That stated by them to

\* "The dividends on 1000 shares of which are included in the annual payment to the State, in lieu of transit duties, &c., leaving 29,000 shares upon which dividend to the Stockholders is deducted."—*Report, Feb. 1, 1843.*

have been paid, and included under the head of expenditures, is \$25,128 06. The remaining three years, are as follows :

		Payable.	Paid.
1841,	- - -	18,539 82	24,480 85
1842,	- - -	18,546 04	24,649 50
1843,	- - -	19,671 74	31,205 88

By referring now to the statement given by the State Directors, you will see, fellow-citizens, that while the "net profits" are precisely those given in the little reports, the dividend for these four years is charged upon 30,000 shares instead of 29,000; and here we have, therefore, a direct fraud to the extent of \$25,000 00

In addition to this, the whole of the alleged payments to "capital" must be fictitious. There could be no such payments unless in discharge of some of the loans, and that such payments were not made is obvious from the fact that the charge of interest was much greater in 1842 than in 1840 or 1841. Here then we have items of charge intended to meet the reductions in the Stockholders' account, and amounting to - 62,284 22

Provision is thus made for - - - \$87,284 22  
out of the \$166,000 that is shown to have disappeared. The balancee might be found in the little reports for 1845 and 1846, if we had, or could get any such.

It must now be obvious to all of you, my fellow-citizens, that no reliance whatever can be placed in any statement furnished by these men, but you will be still further confirmed in this opinion by the time you shall have studied the details of the passenger business.

## LETTER SIXTH.

### FELLOW-CITIZENS:—

In the little report of the business of 1840, we are informed that the whole number of through passengers which passed over the Road in 1840, was - - - 162,690  
do. 1841, was - - - 162,810

In the report of 1842, we are informed that "the number of passengers which have passed from city to city," was - - - 144,108

In 1843, we are told that "there have been carried on the Railroad between New York and Philadelphia," 163,073

In 1844, that "the number of passengers carried from city to city," was - - - 200,840½

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833,521½

For the remaining three years I have no reports, but it has already been shown that the returns for transit duties embrace the through passengers alone, and we may now take the quantities that are there given, as follows :



1845,	-	-	-	-	-	227,272
1846,	-	-	-	-	-	239,276
1847,	-	-	-	-	-	265,169

Total carried in eight years, - - 1,565,238½

The number of "through passengers on the Camden and Amboy Railroad," is thus given in the eight years' report of January last:

	BY AMBOY.		BY TRENTON.		
	1st Class.	2d Class.	1st Class.	2d Class.	Total.
1840,	52,772½	28,909	71,431¼		153,112¾
1841,	39,377½	25,103	89,396¼		153,876¾
1842,	33,594	29,473	77,658		140,725
1843,	32,483	23,483	82,061		138,027
1844,	30,443	26,046	111,178¾	873⅝	168,541½
1845,	32,483	26,735	111,812¼	15,824¼	186,884½
1846,	32,069½	35,501	114,902¼	16,624	200,096¾
1847,	35,236	43,700	122,136	20,940	222,921

1,363,175⅝

Here we have 202,063 through passengers *dropped out of the accounts*, and as they must have been of the first class, we may put them down at \$3 each, making - - - \$606,189

Thus explained, the business of this Company becomes somewhat comprehensible. Without such explanation it would be impossible that it should be comprehended, as I will now show. The number of through passengers carried in 1839, a year of great mercantile distress, was 181,479, of whom not more than thirty thousand could have been second class, leaving for first class, say - 151,479

The number of first class carried in 1846 and 1847, years in which everybody travelled, is stated in the eight years' report to have been 304,343, giving an average for those two great years of only 152,171

It would thus appear, were we to believe the Managers' reports, that the business of the Company had remained stationary during 8 years, in which the population of this country had increased thirty per cent., and while the business of all other Roads had increased in a ratio still more rapid. Thus the Baltimore and Ohio Road which in 1839 carried on its "main stem," westward only 152,501 passengers paying but about \$1 15cts. each, carried in 1846, 280,264, paying nearly a dollar and a half each, and in 1847, 288,674. On its Washington branch, the change was as follows: 1839, 84,964; 1846 and 1847, 308,910—average of the two, 154,455.

The Road from Philadelphia to Baltimore, which has few second class or way passengers, carried nearly twice as many in 1847 as in 1839. The Road to Pottsville gave in 1839 employment to some two or three stages, while in 1847 its trains carried nearly 50,000 passengers. Thus, on all the roads leading south and west, the business had almost doubled, while these Managers would have us believe that on this great line of communication, when steamboats and trains seemed to the eye to be carrying thousands where before they had carried hundreds, the business had experienced no increase!

If further evidence be desired that their reports and accounts are

not entitled to even a shadow of consideration, it shall now be furnished.

The transportation business *on the railroad* is thus given in the eight years' report, omitting the hundreds, quarters, and pounds, as I might have omitted the half and quarter passengers, had I not desired to show the exceeding particularity of accounts, from which nearly 200,000 passengers had been dropped !

<i>Through.</i>			<i>Way.</i>		Aggregate Receipts.
Tons.	Receipts.	Tons.	Receipts.		
1840,	11,325	\$79,774	3,356	\$12,855	\$92,629
1841,	14,652	104,731	3,565	13,583	118,315
1842,	13,200	90,741	4,130	15,780	106,251
1843,	19,511	133,658	4,152	15,925	149,594
1844,	24,902	167,272	6,506	21,432	188,695
1845,	25,372	170,878	7,445	28,611	199,489
1846,	26,628	185,522	13,276	50,417	235,940
1847,	36,707	253,462	16,981	64,527	317,989

In the little report of 1840, it is said that the "merchandise passed *through* in 1840," was 11,207 tons, paying - - \$80,724 70

Corresponding nearly with what is given above. The receipts are, it is true, cut down about a thousand dollars; but we are now so accustomed to alterations by tens and hundreds of thousands of dollars, that our only feeling is that of thankfulness that it is not greater.

The *through* merchandise of 1841, is stated at 14,579 tons, (given above, 14,652,) yielding - - - - \$131,371 02

But in the new report this is *cut down* to \$104,731. Here we have a reduction of \$27,000, to cover in part the abstraction from the receipts of that year, as shown in my fifth letter. (See p. 37.) In the report of 1842, it is stated that "the quantity of merchandise carried over the railroad" was 14,226 tons. In the table above given, it is cut down to 13,200. Here is an abstraction of 1026 tons, equal at only 50 cents per hundred pounds, to about - - \$12,000

In the report for 1843, the quantity of merchandise carried *through* is given at 25,508 tons. In the eight years' report it sinks to 19,511, being a reduction of almost 6,000 tons, or at least \$70,000, and very possibly \$100,000, as at this time the Company was charging from 50 cents to one dollar per hundred pounds.

For 1844, the returns for transit duties will enable us to make a comparison of the business *really* done with that *reported* to the Stockholders; for it is perfectly obvious that neither the way traffic nor travel has ever paid a farthing of duty, the returns for 1840 and 1841 having been as follows :

1840, 11,424,	while the merchandise admitted to have passed					
<i>through</i> is	-	-	-	-	-	11,207
1841, 14,652,	-	-	-	-	-	14,579
The returns for 1844, are 25,676 ; the eight years' report says 24,902						
“ “	1845,	27,507	“	“		25,372
“ “	1846,	29,912	“	“		26,628
“ “	1847,	43,333	“	“		36,707

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126,428

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113,609

Here we have 13,000 tons dropped out, which with the previous 7,000 will make 20,000, amounting at only 50 cents per hundred pounds, to - - - - - \$224,000

How much dropped out before making the returns to the State it would be difficult to guess. We have ascertained the through freight of 1843 to have been *not less* than 25,508 tons, and we should find here a regular increase approaching to that which is observed on other roads. Thus, the Baltimore and Ohio road received for freight,

In 1843,	-	-	\$300,617	In 1846,	-	-	\$468,345
In 1844,	-	-	321,743	In 1847,	-	-	654,916
In 1845,	-	-	368,720				

Here is a growth of above a hundred per cent., whereas, starting from 1843 with 25,508 tons carried on this road, and terminating in 1847 with 43,333, the increase is but about 70 per cent.

No one who has witnessed the wonderful increase in the quantity of machinery used for transportation, and certainly no one who has remarked the urgent necessity for rapid movement that has required the Company to send its trains of freight cars through Burlington on Sunday, and *always in church time*, to the great annoyance of three large congregations, can doubt that the increase on this great line must have been more than that on the Baltimore and Ohio line, though even were it only equal, it would give for 1844, 27,000 tons; 1845, 31,000; 1846, 40,000; 1847, 55,000 tons.

Assuming, however, that only 43,333 tons were carried through in 1847, we may now ascertain the *minimum* amount that *must* have been received, and compare it with that accounted for. By Statement D in the "Address," we are informed that the charge for 1983 tons, exclusive I presume of *cooperage*, was \$21,215, or \$10 70 per ton. That even this is a true statement I do not believe; and I see no more reason for putting faith in what is asserted on "personal responsibility," than in that which is certified "on oath." Men who mix up railroad and canal freights, and hay, and straw, and sand, and ice, and cloths, and silks, to obtain a low average, are not entitled to be believed, even "on oath or affirmation." Nevertheless, even at that rate, 43,333 tons would give \$463,595.

The amount admitted to have been received is - - - \$253,162

Leaving unaccounted for the enormous sum of \$210,433, and this without claiming any allowance for the *smuggled* merchandise, amounting, as I believe, to 10,000 tons.

This is a large amount, from a single and comparatively unimportant portion of their business, to be *conveyed* in a single year, and that by men who undertake to tell us of a class that are "the busiest of all people in *appropriating what belongs to their neighbours*:" by men who can denounce "*the cupidity of speculators*," and who undertake to claim your sympathy, fellow-citizens, for sufferings imposed upon them by "the false representations of disappointed and *unprincipled* men!" I am often astonished at the boldness with which they appropriate hundreds of thousands, and as often at acts of meanness like that which prompts them to contend in northern markets, with the poor farmers of this State, for the retailing of peaches! Which to *admire* most, I cannot tell.



## LETTER SEVENTH.

FELLOW-CITIZENS:—

I propose now to ascertain as far as possible what have been the receipts of the Railroad department of the Company, in which are included, for the purpose of enabling the Stockholders *not* to understand anything of the business done by them, the numerous steam-boats employed in the work of towage and transportation to and from the canal. In doing this, I shall take the business they acknowledge themselves to have done, although well assured that it is far less than has been done.

The number of through passengers in 1840 was 162,690. The little report does not state how many were of the second class, but the eight years' report gives them at 28,909, and I shall be safe in assuming them not to have been less, as we have seen that all the suppressions must have been in the number of first class, producing the extraordinary result of an equality between the average business of 1846 and 1847, and that of 1839.

The first class passengers by Amboy pay \$3 to New York. Those by Trenton pay \$3 to New Brunswick when they are handed over to the New Jersey Company. I shall, therefore, put them all at \$3. Of the second class, some pay \$2 50, and others \$2 25, and the average may be taken at \$2 37½

The number of second class having been 28,909, at \$2 37½,	-	-	-	-	-	\$68,658
We have of first class 133,781, at \$3,	-	-	-	-	-	401,343
The mail, and express car,	-	-	-	-	-	30,000
The transportation business yielded, as admitted,	-	-	-	-	-	92,629

The actual charge for this was *at least* one half more than is admitted by the account—that being *even less* than the legal charge of 32 cents per hundred pounds, while the Managers were receiving from fifty cents to one dollar.\* If we add only one half, we shall be far below the truth, say

-	-	-	-	-	-	46,314
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The way business, trade and travel, on the two lines, must have exceeded†

-	-	-	-	-	-	100,000
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\* With all the reductions that have since been made, the Managers admit themselves to be *even now* receiving \$10 70 per ton, or 47½ cents per hundred pounds. See *ante*, p. 43.

† That this is a very moderate calculation may be seen from an examination of the way traffic and travel, *apart from that which goes under the head of "way transportation,"* in the statement of the business for 1847 given in Appendix A, and adding up the items marked thus \*—When it will be found that they amount to

-	-	-	-	-	-	99,674 57
To which add for December, say	-	-	-	-	-	6,600 00

And we have a total of	-	-	-	-	-	\$106,274 67
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All of which is on the Camden and Amboy line.

In the Statement A, appended to the "Address," the way passengers on the Trenton and Brunswick Road are said to have yielded for May last, \$8,458 22. Taking this as the average of last year, we obtain as the receipt on that line for passengers alone, above

-	-	-	-	-	-	100,000 00
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To which we may add for freight,	-	-	-	-	-	1,500 00
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Grand total of way traffic and travel, for 1847,	-	-	-	-	-	\$207,774 67
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Brought forward	-	-	-	-	\$738,944
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To this must be added dividends on the large amount (\$63,500) of Ferry Stock held by the Company, rents of houses, taverns, hotels, &c. &c.,—certainly more than

15,000
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\$753,944
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The Company at that time owned eight steamboats, the New Philadelphia, Burlington, Philadelphia, Independence, Swan, Trenton, New York and Thistle, three of which were employed in transporting passengers and some merchandise, and the others in carrying merchandise and towing coal and other boats. The whole quantity of merchandise accounted for as carried by the Company and included in the above statement, is 11,325 tons of through, and 3,556 of way, being less than fifty tons per day, or far less than could have been carried by one boat, and most of it was, I think, carried by the passenger boats. It is obvious, therefore, that four boats at the least, remained for other work, and those boats cannot have averaged less, for their *gross earnings*, at the prices charged than \$25,000 each per annum. That they did earn that sum will be obvious from the following facts. The quantity of coal that passed, was 113,000 tons, and the charge for the *towage alone* was 30 cents, and must have yielded

33,900
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The average charge for freight of merchandise *certainly* exceeded \$3, and if they towed or transported but 22,000 tons, it would give

66,000
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One hundred and thirty-five thousand tons divided amongst four boats would give 33,750 tons to each, or about 140 tons per day to each, being less than half that they were capable of doing. I am therefore safe in assuming that the earnings of those boats in that year were certainly not less than

100,000
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Meals 54,000, at fifty cents,	-	-	-
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27,000
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Giving a gross receipt of	-	-	-
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\$880,944
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Of this the Trenton Company was entitled to \$60,000 as dividend, and no more, as at that time, and for several years after, there was no business done on its road, and it has at no time furnished cars, engines, steamboats, hands, or anything whatsoever, except its naked piece of road,

60,000
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\$820,944
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In the little report for 1840, the gross receipts of the Railroad are given at \$565,540 67, but in the eight years' report of 1848 they are *cut down* to

548,173
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Leaving unaccounted for,	-	-	-
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\$272,771
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That this account is nearly accurate, I will now *prove* by other of

the Company's statements. The receipts of 1837, after deducting the allowance to the Trenton Company, were - - \*\$731,995 24

The number of passengers carried was 145,461, whereas in 1840 there were carried 162,690, making a difference of 17,229, which at an average of \$2 75 would give - - - - - 4,738 000

The weight of merchandise carried was 10,642 tons, whereas in 1840 it was 11,207, making a difference of 565 tons, which at only 50 cents per hundred pounds would give - - - - - 6,328 00

The way traffic had *greatly* increased, as shown in report for 1840, page 11, and this increase may be set down at not less than - - - - - 15,000 00

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\$800,703 24

Here we have, for the same business, a result nearly corresponding with what I have given, and as I have pursued precisely the same course with all the subsequent years, it is clear that I cannot have made any material error.

#### 1841.

The whole number of "through passengers" was 162,810, of whom there were of second class 25,103, who yielded at \$2 37½, \$59,620

Leaving for first class 137,707, at \$3, - - - 413,121

The receipts from through merchandise in 1841 were, 131,371

Though *cut down* in the eight years' report to \$104,737 29

The receipts from way merchandise were - - - 13,583

Here the through merchandise is given at about \$9 per

ton. To get anything like an approximation to the true charge, there must be added at least one-fourth—say, 33,000

Way trade and travel certainly above - - - 100,000

Mail and express, - - - - - 30,000

Dividends, rents, &c., - - - - - 15,000

Gross earnings of steamboats, only - - - 100,000

Meals, 54000, at 50, - - - - - 27,000

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\$922,695

Of this the Trenton Company was entitled to, by contract, - - - - - 60,000

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\$862,695

The gross earnings of the railroad are, in the little report, admitted to have been \$678,711 79. In the eight years' report they are cut down to - - - 550,015

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Leaving unaccounted for, - - - - - 312,680

\* See extracts from Report of 1840, given at page 9.



1842.

The number of passengers "from city to city" was 144,108, of which the second class were 29,473, yielding					\$69,998
Leaving of first class	114,635,	-	-	-	343,905
The through freight was 14,226 tons, which, at only 50 cents per hundred pounds must have yielded about					160,000
The way transportation is stated to have yielded					15,780
Way trade and travel,	-	-	-	-	100,000
Mail and express,	-	-	-	-	30,000
Dividends, rents, &c.,	-	-	-	-	15,000
Gross earnings of steamboats,	-	-	-	-	100,000
Meals, 48,000 at 50,	-	-	-	-	24,000
					<hr/>
					\$858,683
To Trenton Company,	-	-	-	-	60,000
					<hr/>
					798,683

The gross receipts of railroad in this year are given in the little report at \$645,700 20. In the eight years' report, cut down to

Leaving unaccounted for,	-	-	-	-	163,348
This amount is far less than in any of the years that precede or follow it, and the reason is, that I have taken the quantity of through passengers as given in the little report made in 1843, being 144,108, instead of taking the returns for the payment of transit, being 163,419, as representing the true amount of through business.					
Adding the difference—say 19,311, yielding	-	-	-	-	57,923
					<hr/>

We obtain the true deficiency, - - - \$221,271

If evidence be desired that these 19,311 passengers were *cut out of* of even the original report made in 1843, it will be found in a comparison of the first and second class business of that year, and the two preceding and following it, as follows:

	1840	1841	1842	1843	1844
1st class	133,780	137,707	114,635	139,500	173,921
2d "	28,909	25,103	29,473	23,483	26,919

Here there is a large increase of the second class business, with a very large reduction of the first. Such differences could not exist, and it is therefore clear that the returns for duty give the through passengers alone.

1843.

The passengers carried between New York and Philadelphia were 163,073, of whom those of second class were 23,483, yielding \$55,771

Leaving, for first class, 139,590 at \$3, - - 418,770

Brought forward,	-	-	-	-	\$474,542
The through transportation was 25,508 tons, which, at only 50 cents per hundred, must have yielded	-	-	-	-	285,000
The way transportation is <i>said</i> to have produced only	-	-	-	-	15,935
Way trade and travel, say only	-	-	-	-	110,000
Mail and express,	-	-	-	-	30,000
Dividends, rents, &c,	-	-	-	-	15,000

Earnings of steamboats, increased in number this year by the building of the tug boat Amboy. The coal business had grown to 193,000 tons, the towage of which, at 30 cents, must have yielded 57,900 dollars. We are therefore below the mark in placing this item at

-	125,000
54,000 meals, at 50 cents,	27,000

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\$1,082,477

Deduct for Trenton Company, which still furnished nothing to the business of the Company, and was entitled to dividend only

-	70,000
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\$1,012,477

The gross receipts of this year, are stated, in the little report of this year, at \$717,062 56. In the great report of 1848, they are cut down to

-	\$695,111
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Leaving unaccounted for, - - - - \$317,366

#### 1844.

The number of passengers carried "from city to city" was 200,840½, of whom there were of second class 26,829, yielding \$63,719

Leaving, for first class, 174,111, at \$3, - - 522,033

The quantity of through merchandise carried is not given in the little report, and we must now rely on the returns for transit duties, which give 25,677 tons, and the freight being taken at only 50 cents per hundred pounds, we have

-	287,000
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That this is vastly below the truth is obvious from the fact that in the previous year, when we *know* the quantity to have been 25,508 tons, the returns for "duty" gave but 21,026 tons. This year must have exceeded 30,000 tons, producing at least \$350,000.

The way transportation is <i>said</i> to have yielded only	21,432
Way trade and travel, say only	120,000
Mail and express,	30,000
Dividends and rents,	15,000

The steamboats are now rapidly increasing in number and size, the Camden being built, while the Independence is enlarged, and the Transport and Stevens are on the stocks. Nevertheless, the business for which the Company receives the pay has grown only from 11,000 to 25,000 tons, all of which could still be transported by a single boat and barge from Amboy to New York. The

Brought forward	-	-	-	-	\$1,059,184
coal towage now grows to 267,000 tons, which, at 30 cents, must have yielded \$80,000, with a very small allowance for the transport of merchandise will give a sum certainly exceeding	-	-	-	-	160,000
Meals, 67,000 at 50 cents,	-	-	-	-	33,500
					<hr/>
					\$1,252,684
Deduct for Trenton Company, 8 per cent.,	-	-	-	-	80,000
					<hr/>
					\$1,172,684

The little report gives, for the gross earnings of this year, \$784,191 23, from which is afterwards deducted \$19,984, for dividend of the Trenton Company. The eight years' report gives this at \$780,709, from which, if we deduct \$19,984, we shall have remaining	-	-	-	-	760,725
					<hr/>
Leaving unaccounted for,	-	-	-	-	411,959

## 1845.

Total number of passengers 227,272, of whom 42,559 are second class, yielding	-	-	-	-	101,071
Leaving for first class 184,713 at \$3,	-	-	-	-	554,139
The [through] freight <i>which paid transit duty</i> was 27,500 tons, giving at 50 cents per hundred pounds,	-	-	-	-	308,000
But the real quantity must have exceeded 35,000 tons, producing at least \$400,000.					
The way transportation is admitted to have given	-	-	-	-	28,611
Way trade and travel must have yielded at least	-	-	-	-	150,000
Mail and express	-	-	-	-	30,000
Dividends and rents	-	-	-	-	15,000
Steamboats now increase rapidly. The Stevens is finished, and the New Philadelphia is set at liberty for other business. The Transport is finished. The coal towage grows to 372,000 tons, and the towage and transportation to and from the canal rapidly increase. The gross earnings of the boats now employed by the Company otherwise than in the transportation of passengers are at least	-	-	-	-	200,000
and we should be safe in putting them at much more.					
Meals, 76,000 at 50 cents	-	-	-	-	38,000
					<hr/>
					1,424,821
Deduct for Trenton Company	-	-	-	-	90,000
					<hr/>
					1,334,921

The little reports now fail me, and I must depend on the great one, in which I find the gross receipts of this year stated at \$882,751, from which are afterwards to be deducted about \$30,000 distributed among the owners of the Trenton Railroad Co., and called dividends, leaving



the amount really available to the Camden and Amboy Company only - - - - -	852,751
Leaving unaccounted for - - - - -	482,170

1846.

The number of through passengers was 239,276, of which the second class were 52,125, yielding - - 123,797

Leaving of first class 187,151, at \$3 - - - 561,453

The [through] merchandise returned for transit duty was 29,912 tons, which at 50 cents per hundred pounds, yielded - - - - - 335,000

If the real quantity were, as it must have been, 40,000 tons, it must have yielded \$470,000.

The way merchandise is admitted to have given - 50,417

The way trade and travel at least - - - 170,000

Mail and express - - - - - 30,000

Dividends and rents - - - - - 15,000

We have now a great increase of steamboats, the Rainbow and the Princeton coming on the stage. Coal grows to 340,000 tons, the towage of which at 30 cents must have yielded \$102,000, while the merchandise towed to the canal by the Company's boats increases rapidly. In estimating the gross earnings of the Company's boats, not employed in carrying freight to or from the railroad, or passengers, we shall be very moderate in putting it at 220,000

Meals, 80,000 at 50 cents - - - - - 40,000

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1,545,667

Less Trenton Company - - - - - 100,000

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1,445,667

The gross receipts of this year are given in the great report at \$1,022,253, from which must be deducted \$40,000 afterwards divided among the Trenton Company, leaving as the amount applicable to the purposes of the Camden and Amboy Company - - - - - 982,283

Leaving unaccounted for - - - - - 463,414

1847.

Through passengers 265,169, of whom 64,640 were second class, yielding - - - - - 153,520

And first class 200,529 at \$3 - - - - - 601,587

The [through] transportation returned was 43,333 tons, which at 50 cents only per hundred pounds, must have yielded - - - - - 482,000

This, however, must have exceeded 50,000 tons, and may have reached 60. We *know* the returns to be less than the amount of through transportation.

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1,237,109

Brought forward	-	-	-	-	1,237,109
The way transportation is admitted to have given	-	-	-	-	64,527
The way trade and travel we know to have been about	-	-	-	-	200,000
Mail and express	-	-	-	-	30,999
Dividends and rents	-	-	-	-	15,000
Further increase of steamboats, and vast increase of business. The gross earnings of the boats not employed in conveying goods or men to and from the railroad cannot have been less than	-	-	-	-	250,000
Meals, 88,000 at 50 cents	-	-	-	-	44,000
					<hr/>
					1,841,635
Less Trenton Company	-	-	-	-	120,000
					<hr/>
					1,721,633

The gross earnings admitted in the great report are \$1,150,883, of which about \$40,000 are afterwards deducted for the Trenton Company, leaving the sum of - 1,110,833

Remaining unaecounted for - - - - 610,800

It will scarcely be difficult now to account for the unwillingness of these Managers to furnish accounts; nor will it be very difficult when we see that the statements of the same transaction, given at different periods to the same parties, or at the same period to different parties, scarcely ever correspond with each other, to understand the fact given us by the State Directors, that "an accomplished accountant" had been "for more than fifteen months" engaged "comparing and adding up" statements and entries with books and vouchers, and that he had in that time "only been able to go through about six years, and that at one end of the lines." If the books were originally made to correspond with the little reports, and had afterwards to be altered to correspond with the great one, as I suppose must have been the case, he had a severe task, and I am only surprised that he got through so much in so short a time. There lived in Philadelphia many years since a very "accomplished accountant," that could at any time furnish for the same set of books a balance sheet, debtor or creditor, as was desired. It seems to me that he would have been invaluable to these Managers.

Throughout the whole of the above statement, in every case in which I was obliged to make an estimate, I have kept the amount far below what I believe to be the truth, and yet the amount received and unaccounted for, is as follows :

1840	-	-	-	-	-	-	\$272,771
1841	-	-	-	-	-	-	312,680
1842	-	-	-	-	-	-	221,271
1843	-	-	-	-	-	-	317,366
1844	-	-	-	-	-	-	411,959
1845	-	-	-	-	-	-	482,170
1846	-	-	-	-	-	-	463,414
1847	-	-	-	-	-	-	610,800

Total unaecounted for by *Railroad* Managers, \$3,093,431

Every one of you, my fellow-citizens, can judge of this matter for himself, and can see whether I have, or have not, over-estimated the receipts. If any one of you shall entertain the slightest doubt on the subject, it will be removed when you shall have accompanied me through a similar examination of the expenditures, and shall have seen that the amount I have put down for the gross earnings of their boats, *is far less than the sum that must have been paid for maintaining and repairing them*, and without the smallest reference to the vast sums employed in building them. Before proceeding to that, I will, however, ask you to look with me into the business of the Canal.

## LETTER EIGHTH.

FELLOW-CITIZENS:—

The Canal has always been the source of principal profit to these Managers, and for that reason we have until now had no information in regard to it. The necessity for making a report through the State Directors brought before the public an account of the quantity of superior and inferior merchandise that was carried, and the further necessity for now issuing an “Address to the People of New Jersey” has brought out the quantity and quality of merchandise carried in May last, although even now we have no evidence that the statement there given is true.

It is the mere naked assertion of the same parties that returned *on oath* 200,841 as the number of persons that passed in 1844 between the Delaware and the Raritan, and the same that returned, *on oath*, 109,660 tons as the quantity of superior merchandise carried on the canal in 1847. For myself, I am well satisfied that it does not represent *one-half* the quantity that passed.

The receipts of this work, the quantity of merchandise transported, of all descriptions, and the quantity of coal, are thus given.

	Receipts.		Coal.	Other inferior articles.	Superior articles.	Total.
1840	\$79,467	Tons	113,078	13,528	45,515	172,120
1841	81,543		119,247	10,299	45,337	174,884
1842	90,334		171,755	16,194	35,338	323,268
1843	101,289		193,506	5,135	41,407	240,049
1844	131,490		267,496	23,950	58,938	350,384
1845	167,811		372,076	26,187	64,470	462,733
1846	161,177		340,000	40,691	32,840	424,702
1847	255,501		540,200	48,500	109,661	700,408

The coal transported in 1847 was 540,200 tons. Of this 429,065 tons paid 30 cents *for toll alone*, and must have yielded - - - - - \$129,000  
 111,135 tons passed eastward, paying 20 cents - - - - - 22,227  


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 Total for coal - - - - - \$151,227



Brought forward	-	-	-	-	\$151,227
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The quantity of inferior articles, exclusive of coal, that passed in that year, was 48,500 tons. Of this we know there was of lumber 15,133,288 feet, most of it in rafts, paying \$1 30 per hundred cubic feet. By turning to the "Address," Statement E, page 30, I find that 1,525,957 feet made 3,178 tons, and this would give about 30,000 tons for the whole quantity that passed in 1847, paying for toll not less than

-	-	-	-	-	-	21,000
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There remain now, 18,500 tons for other inferior articles, which at one cent per ton of 2000 pounds per mile, and even oyster shells pay nearly a cent and a half, give

-	-	-	-	-	-	9,250
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						\$181,477
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To this receipt from inferior articles must now be added the difference between "the toll," as admitted to the State Directors, and "the receipts," as given to the Stockholders, being, as I am informed, the rent of water power on the Canal

-	-	-	-	-	-	9,981
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Giving as the gross receipt from all sources except superior merchandise

-	-	-	-	-	-	\$190,558
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The gross total receipt having been

-	-	-	-	-	-	255,501
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We obtain as the total amount of toll paid on superior merchandise

-	-	-	-	-	-	\$64,943
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There passed through the Canal, as shown in report to the Stockholders, 24,710 tons of iron, which at the medium price between bar and pig, must have paid for toll alone 36½ cents per ton of 2000 pounds, or about 40 cents per gross ton, giving

-	-	-	-	-	-	\$9,884
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8,910 tons of flour, 13,800 tons of grain, and 86,041 tons of maize, making a total of flour and grain 108,751, which at only one cent per mile for 43 miles, for the ton of 2000 pounds, thus supposing the whole to have gone in transient vessels, must have paid, with the local charges, at least

-	-	-	-	-	-	55,000
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						64,884
--	--	--	--	--	--	--------

Leaving for toll on all other superior articles in the year

						59
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We are indebted to the "Address" for the information that there passed on the Canal, in the month of May last, in addition to the grain, the flour, and the iron, superior articles amounting to 6,836 tons, and taking that as the average for last year, we know that there must have passed last year at least 80,000 tons of merchandise, the toll on which by the tariff, was 4 cents per mile for 2000 pounds, or per gross ton, with the lock charges, two dollars, making a total of

-	-	-	-	-	-	160,000
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From which if we deduct the above balance of

-	-	-	-	-	-	59
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There will remain unaccounted for	-	-	-	-	-	\$159,941
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Let us now turn to 1846.

The gross receipts for that year were - - - \$161,177

There passed of coal 340,200 tons that paid  
for toll not less than - - - \$95,200

Of other inferior articles, 40,690 tons that  
at one cent per mile, per ton, must have paid 20,000

And if to this we add the same amount for  
rents as given in 1847, say - - - 9,981

We obtain as the total receipts from all  
sources, except superior merchandise, - - - 125,181

Leaving for tolls on superior articles - - - \$35,996

The amount of those articles that is said to have passed in that year is 32,840 tons, and thus we see there is allowed in the receipts acknowledged, a margin of about 1,10 per ton for the merchandise admitted to have passed.

I have already shown that the machinery of transportation in use for the purposes of the canal consisted in that year of the following:—

*First.* All transient vessels carrying the produce of the country on the Delaware to New York.

*Second.* Returning coal boats bringing occasional cargoes.

*Third.* Thirteen large steamboats towing and transporting merchandise to and from the mouth of the canal.

*Fourth.* Eight steamboats of, as I am informed, about 200 tons each, carrying merchandise through the canal.

*Fifth.* Above twenty barges of 135 tons each.

The quantity of superior merchandise—and *these vessels carry no other*—that passed in the first six months of that year, according to the Managers' return, *certified on oath*, was 12,796 tons. If now, my fellow-citizens, you will calculate the power of the boats and barges regularly employed in the work of the canal, you will find that they alone would have carried, *at a single trip*, out and home, more than is admitted to have been carried *in the whole six months*. If, next, you will turn to a file of newspapers for that year, and see the rapid movements of the various steamboats and barges that I have named, some of them reappearing almost every week, you will come to the conclusion that there must have been carried on the canal in every month, more merchandise than was returned as carried in the half year.

In this thing, called An Address, we are told that “the receipts and expenditures of the several steamboats employed in towing, are particularly kept and regularly returned to the Company by their agents,” but we are not told who receives their earnings. That the Company has not done so, I have before asserted, and I now re-assert it, and will furnish the proof. In my estimate of the receipts of the eight years from 1840 to 1847, I have put down the gross earnings of all the boats owned by the Company not employed in the work of transporting passengers, at - - - \$1,255,000 and if we deduct the whole of it from the amount that I have shown (page 51) to be unaccounted for, there will still remain a balance of receipts unaccounted for, of - \$1,838,431

The earnings of the boats are, then, certainly not in the railroad account. As certainly, they are not in the canal account, for we cannot find in the receipts of that work even the canal tolls. The quantity of superior merchandise that passed in 1846 *cannot* have been less than 100,000 tons, and the tolls alone would have amounted to \$200,000, whereas, the whole that is not accounted for by the toll on inferior articles is but \$35,936. Where, then, are the earnings of these boats? They towed 340,000 tons of coal for which the Managers received \$102,000, and they transported a vast amount of merchandise, for the freight of which they must have been paid, and the other steamboats and the barges carried further vast quantities of merchandise upon which toll must have been paid, but of these "vast sums" there is no trace in the accounts.

Seeing all these things, my fellow-citizens, I would ask you now, is it possible to conceive of a degree of assurance greater than is manifested by these Managers in their "Address," in asserting that "there never has been one dollar received or expended that has not been laid before and approved by the Directors as well as by the Stockholders."

An examination of the above cannot fail to satisfy you, my fellow-citizens, that the merchandise carried by these men in their barges, towed by your steamboats, *has never paid you one cent for toll*, and that thus while you were being defrauded out of the means of building, maintaining, and running boats, and of your transit duties, you were allowed not one farthing for the use of your canal.

To what extent the system has been carried it is impossible to tell. There is no reason for believing the statement for May to be an honest one, and the quantity of general merchandise carried is quite as likely to have been twenty thousand tons as ten thousand.\* Not a true figure or word is ever given to the public, and that is the only thing that can be safely and certainly asserted of these Managers.

It is unnecessary to go through the other years in detail. They are all alike. The gross receipts of the Canal for the six years from 1840 to 1845, were but \$650,000, and in that time there were passed 1,333,000 tons of inferior articles that must have yielded \$450,000. The superior merchandise returned in 1842 scarcely exceeds that of 1835, while that of 1844 scarcely exceeds that of 1838; and yet these Managers were busily employed in building boats for the work of towage and transportation. What is the amount unaccounted for I will not pretend to say, but as we have reason to feel certain that no toll whatever has ever been paid by these Managers' barges, it may safely be assumed that the amount now due by them must be at the lowest estimate,—and it is a very low one

	\$1,250,000
If to this be added the railroad receipts unaccounted for	3,093,431
And the amount lent out "on good security," \$117,000,	
with its interest for eight years, say	173,000

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We have as the amount thus far unaccounted for - \$4,516,431

The system is one of fraud and imposture unparalleled in the world.

\* The exact quantity reported was 9,556 tons, or almost as much as was returned in the first six months of 1846.



The canal is made a dead weight on the road by suppressing the tolls, and steamboats are charged on the railroad for their building and maintenance, while reports abound with the "increasing business of the railroad," requiring boats that *never carry to it a single ton*.

The time has come for an examination of the whole of these accounts. The "necessary returns are made to the State treasury every three months on oath," as they expressly inform us in this Address. Sixty such reports have been filed by the Treasurer of the Canal Company, and if they have been fraudulent, all the parties connected with their concoction are liable to heavy fines, and to imprisonment at hard labour for each and every one of them. It is therefore now the duty of the Attorney-General of the State to examine those returns and compare them with the facts which I have submitted, and if he finds, as find he must, that crime has been committed, it will be his duty to file bills of indictment against treasurers, and presidents, and directors, and secretaries, and clerks, and lock-keepers, and gate-keepers, and all other parties concerned in these perpetual violations of the law. He should adopt for his motto, "*Fiat justitia, ruat cælum*." Let him do that, and he will have no difficulty in unravelling all the accounts of this mysterious Company, or in understanding why a body of men having any claim to character should have been willing to remain so many years under a suspicion of "improper management of the funds of the Companies." Honourable men would never have thrown themselves open to such a suspicion by concealment, but, supposing such suspicion to have arisen, they would at once have said, "Come and look at our books and papers." These men, on the contrary, tell you that their books and papers "have been examined," and wind up by the averment that "they have ever endeavoured faithfully to discharge their duties to the State, the public, and the Stockholders." How faithfully we now know. The State has been defrauded of transit duties and tolls. The public have been defrauded by double tolls collected in defiance of law, while the Stockholders have had even their legal tolls reduced in amount by the passage of boats without manifests, and have been afterwards defrauded by sums abstracted from the treasury, to be covered over by falsifications of accounts.

## LETTER NINTH.

I proceed now to review the statements of the expenditure of the vast sums received by these Managers.

Before doing so, I will give under this head a few illustrations of the utter worthlessness of all the sets of figures, for accounts they cannot be called, that are furnished by them.

In the little report, the expenditure of 1840 stands at \$285,406 21, but in the great one published this year, it is *magnified* to \$306,227 39, making a difference of \$20,821 18; while the receipts are *razee'd* from \$645,008 to \$627,640. In the little report of the business of 1841, the former is \$336,153 76, while in the great one it becomes \$355,538 76; making a difference of \$19,385: and 1832 stands in the first at

\$332,973 34 ; while in the great one it grows to \$339,083 25 ; the difference being \$7,109 91 : thus making a total difference in the expenditure alone of three years, of \$47,316 09. By a curious blunder in *selecting* the figures that were to be used, that I shall hereafter explain, the expenditure of 1843 in the great report stands higher than in the little one.

This, however, is not all. While the expenditure is thus largely increased in amount, one of the items of expenditure brought forward as an apology for its vast amount is withdrawn in order that it may be used elsewhere. By the contract with the State, the Company was bound to pay \$30,000 a year, whatever might be the amount of transit duties, but on the other hand they were not bound to pay dividends on one of the two thousand shares of stock transferred to the State until the duties should amount to the sum guaranteed. By dint of false returns, the duties were for a long time kept below that amount, and the sum that should have been received by the State as dividends went to her in lieu of double or treble the sum really her due. The extra amount thus paid was included in the expenditures of the year, and the Company made dividends on only 29,000 shares of stock. Thus, in the little report of the several years referred to, we are informed that the following amounts paid for transit duties are included in the expenditures charged, to wit :

1840 — \$30,927 49. 1841 — \$26,207 74. 1842 — \$35,554 84. 1843 — \$37,820 40. 1844 — \$34,482 85. Total in five years, \$164,993 32. In the great report they are cut down thus: 1840 — \$25,385 09 $\frac{3}{4}$ . (Whenever a fraud is to be perpetrated, we are sure to have fractions.) 1841 — \$21,798 61. 1842 — 30,055 71. 1843 — \$26,294 22. 1844 — \$34,094 22. Total, \$137,627 85 $\frac{3}{4}$ . Difference, \$27,365 47. These sums are thus put in, and then we are told they are not there, although the expenditure alleged is enormously increased ; and then when we meet the dividend account, we find it charged as if dividend had been made on 30,000 shares, when it was made on 29,000 : and this in five years amounts to \$34,000.

This operation is in itself so remarkably beautiful, and affords so fine a specimen of the system of “thimble-rigging” practised in the management of the affairs of this Company, that I am desirous it should be fully understood.

The expenditure of 1840, including \$30,927 49 of transit duties, was	-	-	-	-	-	-	\$285,406 21
The dividend on 29,000 shares was	-	-	-	-	-	-	174,000 00

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\$459,406 21

In the eight years' report, the expenditure, including only \$25,385 09 $\frac{3}{4}$ for transit duties, becomes	-	-	-	-	-	\$306,227 39
And the dividend is charged on 30,000 shares	-	-	-	-	-	180,000 00

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Difference, \$26,821 18. \$486,227 39

In 1843, the expenditure for 1842, including \$35,554 84 of duty, was stated at	-	-	-	-	-	\$332,973 84
Dividend to be made on 29,000 shares	-	-	-	-	-	174,000 00

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\$506,973 84

In the eight years' report, it becomes, including only			
\$30,055	71 of duty	- - - - -	\$339,083 25
And dividend is charged on	30,000 shares	- - -	180,000 00
Difference \$12,209 41			\$519,083 25

And thus is produced a difference in these two years of nearly \$40,000, that amount being by these simple and beautiful operations *cut out of the accounts*.

By these and other similar operations, the following extraordinary result is produced. In the little reports, made at the time, the net profits of 1840, '41, and '42 are given at \$359,602, \$404,716, and \$403,061, giving a total of - - - - - \$1,167,379

Subject to three years' interest amounting to about - - - - -	\$569,000	
And three years' dividend on 29,000 shares	522,000	1,091,000
Leaving a <i>surplus</i> of - - - - -		*\$76,379

To which was to be added about \$30,000 surplus on hand in 1840.

By the eight years' account, the net profits of those years are <i>cut down</i> to - - - - -	\$1,003,405
Subject to three years' interest - - - - -	\$569,000
And three years' dividend on 30,000 shares	540,000 1,109,000
Leaving a <i>deficit</i> of - - - - -	\$105,595
Here we have a difference of - - - - -	\$181,974

The thimble-riggers of this State will certainly become famous. They are up to more sleight-of-hand tricks than any others in the world, as I believe. With this preface, I will look to the general account of expenditures.

In 1839 the Company carried 181,479 through passengers and 13,520 tons of through merchandise, and it maintained seven steam-boats with an expenditure of \$258,043. At the close of that year the Directors furnished a report, in which it was estimated that at the close of the succeeding seven years, with a business increasing in a like ratio with that of the past seven, the net profits

\* By reference to the statement furnished to the State Directors, (see page 36,) it will be seen that the net surplus on hand at the close of 1842 was - \$76,368 whereas, if we add to that above given, the \$30,000 on hand in January, 1840, it would be - - - - - 106,379

The reduction has been produced by an *overcharge* of \$18,000 of dividends, and by sending to an imaginary account called "Capital," 11,386, by deducting which from this sum we shall obtain nearly the amount they have given. The balance of \$30,000 is thus *made away with*.

If from the *deficit* produced by the eight years' account, we deduct the \$30,000 on hand in January, 1840, we obtain an actual deficiency in the treasury of the Company of \$75,395, at the very time that the report furnished to the State Directors would give \$76,368 as in the treasury, making a difference of \$151,974, even after making away with nearly the whole original balance of \$30,000.



would be \$1,042,000, or interest off, \$852,000, yielding a dividend of 28 per cent. per annum. The increase of business has been greater than was then anticipated, yet the dividends are only 12 per cent. That they are no more is not wonderful, considering how the accounts of the receipts of the Company have been kept. Still less wonderful will it appear when we shall have traced the growth of the expenditure. At that time the Board could desire of the Stockholders to "bear in mind that the expenses *do not increase in the same ratio* with the receipts." It would now, therefore, be only reasonable to furnish reasons why the railroad expenditure has almost *trebled* itself, while the receipts have increased by only two-thirds; the amount admitted to have been received in 1839 having been 685, with an expenditure of 258, and that received in 1847 having been only 1150, with an expenditure of 742! The mere statement of the fact is sufficient for any one familiar with the business of railroads. Nothing like it has ever been witnessed, as I believe, in any part of the world, nor do I believe that anything like it has ever even been attempted outside of this State.

In 1840 the railroad expenditure was -	-	-	\$244,636
Of this the transit duties were, as then stated -	-	-	25,128
			<hr/>
Leaving for the current expenditure -	-	-	219,508
In 1841 the total expenditure was -	-	-	\$306,029
Of this there was for new iron for the road from Bordentown to Trenton, which I now deduct, as the Company in its eight years' account has done the same for subsequent years -			\$12,000
The damage caused by the great freshet of that year, the most disastrous ever known* -			28,000
And transit duties -	-	-	24,480
			<hr/>
			64,486
			<hr/>
			\$241,543

From this we can see that up to that time \$300,000 was considered a large expenditure, and that the Managers deemed it necessary to offer reasons why it was so great. With other times come other modes of thought and action; and thus we find these same Managers six years later issuing a general account in which the expenditures of the year are given at \$835,000, with no other apology than the stereotyped one that it is necessary to "preserve the capital of the Company" unimpaired, and that it is only "a temporary inconvenience for a permanent good."

In 1842, the amount was \$279,961, from which must be deducted the transit duties, amounting to \$24,649, leaving as the current expenditure \$255,312.

During these years, the Company ran three daily trains with an average of about 67 through passengers to each. They carried the mail. They did a way business that I have estimated at an average of \$100,000 per annum. Their through transportation averaged at

\* Much of this damage must have been done to the canal, but the cost of it seems all to have gone to the railroad account.

least forty tons per day. To do these things they maintained three passenger boats, and they had four employed in the transport of merchandise. To do all this they expended on an average \$233,000 per annum.

It will be obvious to you, my fellow-citizens, that every increase of this business must be almost altogether profit. A train costs no more if it carry 200 passengers than if it have but 67. A steamboat costs no more when carrying 600 than when it has but 20. In the three years to which I have now referred, the Company had precisely the same quantity of passenger machinery, and the same for local trade and travel that it had last year. It ran, last year, it is true, two steamboats of larger dimensions than those that were in use in 1840, but the cost of running those boats was not as great as was that of the small ones before used, for it was in 1841 that the application of coal to the Trenton was made, and the cost of fuel for that boat alone reduced from \$27 50 per day to \$10. Here was a vast saving. Seven boats saving \$17 50 per day, were equal to a profit of \$122 50, or, taking only 250 days in the year, of above \$30,000 per annum. Instead of diminished cost, we shall find at every step an increase of cost, without increase of business to warrant it, and as a necessary consequence, the accounts of former years are altered to be in keeping. The expenditure of 1842 which stands in the account then issued, at

279,961 02

Stands in the eight years' account, at - - 286,073 93

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\$6,112 91

And thus while the receipts are cut down the expenditure is enlarged.

In 1843, we mark a tendency to increase of expenditure, which stands at - - - - - \$322,124

Accounted for in some degree by the building of a tug boat, which with the transit duties, 31,205, makes - 48,367

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\$273,757

Leaving the current expenses at - - -

The quantity of machinery for the conveyance of passengers and for way trade and travel remained the same, and there was no reason for this increase except that of the transport of 11,282 tons of merchandise on the road, which might have accounted for a small portion of it.

I have now to call your attention, fellow-citizens, to a curious fact that illustrates most forcibly the manner in which these accounts are *fabricated*, and proves that they are not transcripts from any regular set of books. In the year now under consideration, the Company changed its day of settlement from the 1st to the 31st of December, and in making up the little report that was given to the Stockholders, various statements were made of the results of the periods from Dec. 1, 1842, to Dec. 31, 1843; from Dec. 1, 1842, to Nov. 30, 1843; and Jan. 1 to Dec. 1, 1843—periods of 12 and 13 months.\* In *selecting* the figures that were to be placed before the Stockholders, the “accomplished accountant” has made a curious blunder, having taken the canal expenditure for 13 months, and the railroad expenditure for 12,

\* Copies of these three statements are given at page 15.

and having thus produced in the "joint account" a quantity that never could, by any possibility, have existed anywhere.\* Each part of the concern is thus in keeping with every other.

Without going into the detail of all the subsequent years, we will now take that of 1847. In that year the Company ran the same passenger boats and the same trains, and the sole difference, as regards passengers and local trade and travel, was that boats and trains ran full instead of empty. By comparing the business of that year, accounted for by them, with that of 1843 (p. 47,) it will be seen that there was nothing to require an increase of a single dollar in the expenditures, except that instead of carrying 25,508 tons of through merchandise, or an average of 100 tons per day, for 250 days, they carried 43,333, or an average of about 180 tons. This should not have cost \$20,000 additional, and yet the expenses which in 1843 were, after deducting the tug-boat and the transit duties - \$283,757 has risen to - - - - - 741,917  
And after deducting transit duties, - - - - - \$33,017  
And paint-shops, and iron, and car-houses, and cars, and engines, and all other things that could be enumerated by way of accounting for the enormous charges, to the extent of - 155,537 188,554

Were still - - - - - \$552,363  
or nearly twice what they were in 1843.

The current expenditure of three years we have seen averaged about - - - - - \$233,000

That of 1843 rose to - - - - - 273,000

That of 1844 was, after making the same deductions as in the other cases - - - - - 267,000

1845 then rose to - - - - - 336,000

1846 to - - - - - 405,000

And 1847 to the enormous sum of - - - - - 552,000

The average of 1843 and 1844 was \$270,000, and the machinery then in use was abundant for doing far more than all the business for which the Company has credit in the Managers' accounts, and yet the excess expenditure of the three following years was \$762,000

To account for a large portion of this extra expenditure, there is no other mode than that of referring it to the charge of maintaining the numerous steamboats employed in the work of towage and transportation, for whose earnings the Company has no credit, because of their being absorbed by the Managers. Those earnings were estimated in the years 1840, '41, and '42, at \$100,000 each. In 1843 the number began to increase, and after that they increased rapidly. Desiring to be as moderate as possible, I estimated 1843 at an excess of only - - - - - \$25,000

1844 - - - - - 60,000

1845 - - - - - 100,000

1846 - - - - - 120,000

1847 - - - - - 150,000

Making a total of - - - - - \$455,000

\* The reader will see this by comparing the statements at p. 34 with those at p. 10.



And being less by \$297,000 than the increase of expenditure, that can be traced to no other cause than the maintenance of those boats, and without the allowance of a dollar for interest on the enormous sums expended in building them, or for wear and tear. Were the accounts of the Managers now to be thrown open to examination, it would be seen that to that source, and to that alone, must be ascribed the enormous increase, and it would equally be seen that every dollar of their earnings has gone to the companies into which the Managers have divided themselves for profiting by this great monopoly. The Camden and Amboy Company has never had a dollar of it, and the State and other Stockholders have been defrauded of their share of it. To that cause, and to the abstraction of so large a portion of the earnings of boats and cars, are due the facts that after fifteen years we have single track roads, with bridges in a state of dilapidation, upon which runs the poorest engines in the Union, making the worst time that is made upon any considerable road north of Mason and Dixon's line, and the further fact that at the end of so long a period of immense business, that road is encumbered with a debt of three million of dollars, while making dividends that have averaged for eight years past but eight per cent.

In what I have said above, I have assumed that the money was really expended, but I see no reason to believe that, even including the expenses of all the boats employed in towing and transporting coal and merchandise for which the Managers receive all the pay, themselves paying not even toll or transit duty, it has been expended. We have seen the expenditure of 1840, that was in 1842 reported at \$244,000, raised in 1848 to \$265,000, while \$6000 of transit duties were struck out and added to the dividends, making a total difference of \$32,000, and I see no reason to doubt that similar things have been done in reference to 1847. That \$552,000 was spent in 1847, or that even \$400,000 were spent in the transaction of the business of the Company, I do not believe, nor will there be found throughout the Union, a single man familiar with the railroad business that will believe it.

It is time that we had a change, and that change will come whenever the Attorney-General shall put these Managers on their defence, and compel them to bring their books into court, for then the utter infamy of the system will be made so manifest, that you, my fellow-citizens, will be mortified to think that you have ever been in partnership with such a concern, and will close the connexion. A settlement will then take place, and the State may obtain payment of her share of the "vast sums" now due to her, which will be owned to exceed any estimate I have ventured to make.

The amount unaccounted for, as shown at the conclusion of my last letter was - - - - - \$4,516,431

It has been shown that in the expenditures, the game of "thimble-rig" has been performed to a vast extent. When the books shall come to be examined it will be found that it has been performed to the extent of at least - - - 750,000

And the amount unaccounted for will be - - - \$5,266,431



Of which the State is entitled to one-fifteenth, or	-	\$351,099
And if to this be added the transit duties that remain unpaid,	- - - - -	141,967
		<hr/>
We obtain a total amount due to the State, of	- -	\$493,066

The collection of this money cannot be difficult. At hand, in the Treasurer's Office, the Attorney-General has returns made on oath, certifying that the quantity of superior merchandise that passed in 1847, was 109,661 tons, and in 1846, 32,840. By turning to page 12 of the Report to the Stockholders of the present year, he will obtain evidence that there passed in that year, of flour, grain, iron, and maize, 133,451 tons; and by reference to page 30 of this "Address" he will obtain evidence that there passed in May last, of other superior articles, 6,746 tons, affording proof conclusive that the total quantity of superior merchandise that passed in 1847 must have exceeded 200,000 tons. I have furnished him with a list of barges and steam-boats trading on the canal in 1846, and by application to the Custom House he can obtain the precise number of their passages, and can satisfy himself conclusively that at least 50,000 tons, and possibly double that quantity, must have passed in the first half of that year, for which the return gives but 12,798 tons. He will thus obtain evidence of the most satisfactory kind that every return on file relative to the canal has been false and fraudulent, and I have already tendered to him the use of all the documents in my possession for establishing the same facts in regard to the railroad. With such evidence open to him of the commission of crime, he cannot falter in the performance of his duty if he desires to preserve the respect of honest men. The very fact that bribery and corruption are known to stalk throughout the State, influencing the action of editors, lawyers, politicians, and legislators, will stimulate him to prove by prompt and decisive action that he himself is pure, and that he does not hesitate to mete out to criminals in high places the same justice that he awards to those in low ones. The necessary consequence of his adoption of this course, must be that such of the Directors as have been themselves deceived, will find it necessary to produce all the books and papers of the Company. Everything will then come to light, and the State will then obtain a settlement.

To the individual Stockholder the course is equally plain. A bill in Equity based on the facts I have given—the evidence of which shall always be forthcoming, when needed to further the cause of justice, whether civil or criminal,—will bring the books into court. Every such Stockholder, old or new, is entitled to a dividend equal to the par value of his stock. Every one of you, my fellow-citizens, holding stock in your own right, should make this claim. "Patriotism" requires it, for it will aid in ridding the State of this corrupt oligarchy. Self-interest requires it, for it will give you a large present dividend, while doubling the value of your stock. Once masters of your own property, you will carry passengers and merchandise at half the present price, and make dividends of twenty per cent., and then will you be secure in the enjoyment of a monopoly based upon the fact that you serve the public cheaper than any other could serve

them. With one brief effort the work will be done, and you, yourselves, will receive the reward of the "sacrifices" and the "struggles" imposed upon you, during so long a period of years, by men who have for so many years misused the authority delegated to them by you.

## LETTER TENTH.

The State Directors appear to have been dissatisfied with the "reckless and atrocious charges made against them," and also dissatisfied in regard to what has been said of "the inaccuracies in the accounts, and misapplication of the funds of the Companies," and they head the list of signers to this "Address," in which it is positively asserted that they had made "during the last six months" previous to the date of their report, "a strict and thorough examination of all the business transactions and accounts of the Companies." If they did so, and found them accurate, it must have been because the Companies keep one set of books for the State Directors, and another for themselves. I presume, however, that they will insist upon seeing both sets before they make their next report.

I had intended now reviewing them somewhat more at length than I did on former occasions, with a view to show the strange things they had been made to say, but as I think I have already said enough to satisfy them that they have been deceived, I will now refer to only one portion of their report, that seems to require examination.

In enumerating the various articles of property belonging to the Company, they state\* that the "Companies own 1271 shares of stock, at \$50 per share, in the Camden Ferry Company, which stock stands in the name of the same trustees [Robert L. Stevens and Robert F. Stockton, presidents of the two Companies,] and was taken in exchange for the tavern-house and lot, and wharves, for ferry establishment at Camden, and the steamboats State Rights and John Fitch," and that "Five thousand five hundred shares of the stock of the Philadelphia and Trenton Railroad are also held by the same trustees on the like trust. This stock, as alleged, is necessary for the control of the said Philadelphia and Trenton Railroad, so as to enable the Companies to run on that line their fast [!] trains, that being the shortest and most expeditious route."

No one who read this could doubt that the Camden and Amboy Company owned 5500 shares of Trenton railroad stock, the market price of which was, a few months since, about \$800,000, although now very much fallen, and probably unsaleable. Some of the stockholders, as I know, believe themselves to own it, but it cannot be so.

In the report of 1840, the Directors furnished a list of all the property of the Company, "from a snow-plough to a steamboat," and it did not then own any such stock. If it now owns it, it must have paid for it, and a payment of \$800,000 could readily be traced, but there is nothing of the kind. If it owned such an amount of valuable stock, the Managers could not have failed to insert it in their report,

\* Report, page 9.

to account for the vast expenditure, but it is not there. If it owned it, we should find it *receiving* dividends from the Trenton Company, whereas it is always *paying* them to that Company,\* which seems unable, with all its immense receipts, to collect enough to pay itself for the use of ten miles of naked railroad.

It has occurred to me that the matter might be explained by reference to the present state of the Company's debts, as follows :

In 1840, the Company owed, in the United States	-	-	\$800,000
“ “ “ in England, at 5 per cent.	-	-	£210,000
“ “ “ “ at 6 per cent.	-	-	£225,000

In January of that year, the stockholders authorized a loan for - - - - - \$367,000 and thus stood the debt, as far as published, at that time.

In 1842, the stock of the Company was greatly depressed, and it became necessary to let the public know more accurately the state of its affairs, and in January, 1843, the Managers gave a list of the debts, accompanied by an assurance that the interest had “*always, in every case, been punctually paid*”—the necessity for thus emphasizing which enables us to understand fully the reason why the list was made public. In that list, for the first time, appears a debt, redeemable in London, for £185,500, or about \$900,000. It is not mentioned in any of the earlier reports, nor is it referred to in any of the late ones, nor can there be found any trace of the money received for it. No interest has ever been paid, for the amount charged as paid for interest is always about \$188,000, while the interest on the four loans above-mentioned, taking the pound sterling at \$4 80, would amount to \$185,200, and commission on its payment would account for the difference. For what purpose, then, was this loan contracted, and who authorized it? and what became of the money? and who pays the interest?

These are questions of considerable importance to the State, as a large stockholder, and it will be well for the State Directors to enable themselves to answer them. Careful examination may, perhaps, enable them to discover how it is that the Camden and Amboy Company owns so much Trenton Railroad stock upon which it receives no dividends, and owes so large a debt upon which it pays no interest. It looks very much as if the Managers, in their capacity of owners of the Trenton Railroad, had been borrowing the credit of the Camden and Amboy Company, to enable them to make a large loan upon a pledge of stock that has no intrinsic value whatever, and that may, and probably will, fall from 150 to 50 with as much rapidity as, on occasion of the never-to-be-forgotten cornering speculation of the railroad kings, it fell from 250 to 150. If they have obtained \$900,000 in this way, and upon stock that cost them so little, they have made a good speculation, but it will probably prove a bad one for the road of which they are the managers. What renders this more probable is that it was about that time that they began to relay their ten miles of their own road, and to make improvements at

\* The Trenton Company collects large sums of money, of which it gives a small part to the Camden and Amboy Company; and of that small part the latter divides a portion among the Stockholders of the former, the object of this “thimble-rigging” being to defraud Pennsylvania out of her tax on dividends.



Bristol. It is a curious matter, and well worthy the attention of the State Directors, and it is only extraordinary that in their careful investigation of the books and accounts of the Companies they had not discovered it. It will be well for them, in their next report, to let us know what the Company really does owe, and whether the interest on all its debt is, in reality, punctually paid: what it owns in the shape of stock, whether ferry or railroad—and what in the shape of houses and hotels—and whether the dividends or rents are punctually collected.

Since the above was written, I have met with a very small pamphlet, entitled “Correspondence, &c. in regard to the affairs of the Delaware and Raritan Canal, and Camden and Amboy Railroad Transportation Companies,” which throws some little light on this matter. The Managers in 1842, being in difficulty, procured a letter to be addressed to them that would give them a chance of printing a statement of some of their affairs, and thus relieving themselves from the uncomfortable position in which they had been placed by the extreme costiveness manifested in regard to information as to their business. As a matter of course, it was accompanied by a great flourish of well-paid editorial trumpets, precisely such as has attended the issue of the present “Address,” and of precisely equal value. In that I find a list of the debts, similar to the one given in the report of 1843, already referred to; and thus we see that necessity alone brought about any publication of the debt of £185,500. The curious part of the matter, however, is this:—The “total amount of interest paid on all the loans of the Companies” is

stated at	-	-	-	-	-	\$222,599 68
Less paid by the Trenton Railroad Company	-					33,000 00
						<hr/> \$189,599 68

Now the actual interest on the debt that existed in 1840, estimating the pound sterling at \$4 80, was, as it still is, \$185,200. And if to this be added only one-half of one per cent. for commission, and other expenses on the foreign debts, we have a further sum of above \$5000, which would make up more than the whole sum *admitted* to have been paid by the Camden and Amboy Company. There remains then only \$33,000 paid by the Trenton Road, owned by the Managers of the Camden and Amboy Company, towards the interest on a debt of £185,500 at 5 per cent., the amount of which, with commissions and expenses, cannot be less than \$46,000. Who pays the balance? Like every other matter and thing connected with this Company, it is a mystery as profound as that which enveloped the automaton chess-player, and the machinery appears to be quite as extraordinary. Here is a debt due by the Company of nearly a million of dollars, that appears never to have been authorized, of which the proceeds seem never to have come into the Company's treasury, and of which a part of the interest is paid by somebody else, leaving the balance for us, my fellow-citizens, to account for as we may. When the day of investigation shall arrive, as arrive it soon must, we shall find who received the money, who pays the interest, and who it is that owns the 5500 shares of Trenton Railroad



stock, that are, as we are assured by the State Directors, held by some of these Managers "upon a like trust" with the shares of the Ferry Company, which we know to be owned by the Camden and Amboy Company.

It is said that there are many curious facts in relation to this Ferry Company that ought to meet the light, and it can scarcely be doubted that the State Directors can readily obtain them.

At the close of their "Address" these Managers say that

"It may not be amiss to remark, that a question has been made as to the construction of that section in the charter of the Camden and Amboy Railroad Company which relates to the rate of charges for the freight upon the railroad. The question has been argued in the Supreme Court, before three of the judges only, and decided against the construction contended for, and practised by these as well as every other railroad company in the state of New Jersey. As the question is one of great importance, and as it is impossible to carry into practical operation that section of the charter under the present decision, a writ of error has been taken to carry the case up to the Court of Errors, a right which is enjoyed by the humblest individual in society. But as soon as the decision was announced, orders were issued by the Companies to their agents to conform as far as practicable to the opinion understood to be entertained by the Court, without waiting for that of the Court of Errors."

It thus appears that it is "impossible to carry into practical operation that section of the charter" which limits the Company to the charge of eight cents per mile per ton on the railroad, and four cents by the canal; but the Managers do not explain the cause of difficulty. It is greatly to be regretted that they do not. We might then, perhaps, be enabled to ascertain why the general merchandise carried in their own barges, and towed by Company boats, pays *nothing* in the form of towage, transportation, toll, or transit duty; and whether it would not be more possible for the Company to collect reasonable tolls from transient vessels than to shut out those vessels by the demand for immoderate tolls, and then do all the work for nothing.

We might then, too, ascertain why the Company was allowed in 1840 only \$79,774 for the transport of 11,325 tons, or about \$7 20 per ton, while the Managers were receiving from \$11 20 to \$22 40 per ton, in addition to endless demands for cooperage of packages, upon which, *in some cases at least*, no cooper had put his hands, either to place a hoop or drive a nail.

If it was not "impossible" to keep two different accounts in 1841, by which in the one case the Company was allowed \$131,371, and in the other \$104,731, for the transport of 14,652 tons, it is difficult to conceive of the "impossibility" of obeying a law which fixes eight cents per ton per mile as the maximum rate, when compliance with the law would involve the necessity of keeping but one account.

We *know* that the "through" freight carried in 1843 amounted to at least 25,505 tons. We *know* that the Managers at that time were receiving from \$11 20 to \$22 40 per ton. We know, too, that the amount credited to the Company by these Managers for the performance of that work was \$133,656 94, or *five dollars and twenty-four cents* per ton, or about one-third of what they were receiving. Would it not be well for them to explain how it was that this process was so simple, while the other appears so difficult? It would certainly aid the Court of Errors in the settlement of the question.

We have every reason to believe that the "through" freight that passed over it was in 1847 not less than 43,333 tons, and we know that the amount credited to the Company for that work was only \$253,462 27, or *five dollars and eighty-five cents* per ton. Now, if the Company received so little from them, by what right is it that they claim so much from the community? At \$7 20 per ton, the profit to them would be almost \$60,000, and that surely ought to content them. It is unreasonable to insist upon the right to receive so much while paying so little. At twelve dollars per ton, the profit to them would be above \$260,000 for this single item of their business, and the Court of Errors cannot surely be willing to sanction the imposition of a tax so heavy, merely because of the "impossibility" of keeping one account, when the keeping of two appears so easy.

It can scarcely be doubted that those judges will "*lay their hands upon their charters, and say, these are the statutes of a sovereign state—we are her citizens—she knows how to preserve her laws inviolate—she never falters in her duty to her sons;*" adding thereto, that in their opinion "that duty requires that she should see that men do not evade her laws by charging \$10 or \$20 per ton, when she limited the charge to \$7 20, and that she should in justice to herself hold these men responsible for every dollar that they have taken from the public beyond the legal rate, and responsible to herself, as stockholder, for every dollar that they have allowed to the Company below the legal rate."

If such should prove to be their view of the case, and the result should be, as it probably would be, that of changing the management into the hands of men who had a less sense of their own interests, and a greater one of their duties, the new management would find no "impossibility" of carrying out the law.

It is asserted by these Managers that their practices are similar to those of every other railroad company in the state. It is an extraordinary assertion, certainly. Do any of you, my fellow-citizens, know of any other company whose managers charge double price and allow the Company but three-quarter price? Or any one that keeps so many different sets of books for the same business? Or any one that carries so many passengers, and accounts for so few? Or any one with so much machinery that accounts for so little traffic? Or any one the quantity of whose business, or whose receipts and expenditures, undergo such rapid and extraordinary transformations as are here exhibited? If there be any of you who do, I pray that you will publish the fact to the world, for until you shall do so, I shall be obliged to consider this Company and its management *unique*. It appears to me that it is entirely matchless on either side of the Atlantic.

## LETTER ELEVENTH.

## FELLOW-CITIZENS:

After closing the above letters, I concluded to obtain copies of the returns of the present year, with a view to see what had been the effect of the exposures of the last few months. On applying at the Treasurer's Office, I learned, however, that the return for the railroad for the first quarter, *duly sworn to, as usual*, by the Treasurer of the Company, had been withdrawn on the pretext that "*errors*" had been discovered in it, and that it has never yet been returned; and further, that *up to this day, August 15, there is no return filed for any portion of the business of the Railroad Company for the present year.*

If now, fellow-citizens, you desire to understand the cause of this, I pray you to turn to the "Letters" addressed to you some months since, and there you will perceive that the eleventh, in which was exposed the fact that no portion of the great way business of the Trenton road had been returned, is dated on the last day of that quarter, March 31. It became, of course, obvious to these Treasurers, and Presidents, and Managers, that suspicion was afloat, and accordingly "*errors*" were discovered, and the return was withdrawn, and thus is your Attorney-General deprived of the power of proceeding on this one return. There must, however, be at least fifty-nine others, *equally accurate*, and they will probably suffice for this purpose.

The position of these Managers, fellow-citizens, is very awkward, and I am not surprised that they do not make returns. How can they? Everybody knows that the travel of this year is much less than that of last year, and yet everybody knows that more than 113,000 persons (the number they returned for the first six months of last year) must have "*crossed the state*" in the first half of this year. During that time they ran four lines—two by Trenton, and one by Amboy, in addition to the Emigrant Line, in which they assert that they do not keep the unhappy people 18 hours in travel in 90 miles—and these give eight trains per day, with an average of about 75, *through and way*, per train. Now, everybody knows that in the dead of winter they ran five cars, capable of transporting 250 passengers, to each line, and everybody knows that it was a very poor train that did not reach 100, and that the average was much greater. What, then, can these poor men do? If they now begin to make honest returns, the dishonesty of the past will stand confessed. If they continue to do as they have been doing, every return will be compared with the business known to have been done, and their situation will be no better. They are in a dilemma, and how they are to extricate themselves from it, I do not know.

I will watch, carefully, fellow-citizens, for the appearance of these returns, and will not fail to analyse them for your use. They will be curious. It were to be wished that the Treasurer had retained a copy of the one first filed, that we might discover if the "*errors*" counted by thousands or tens of thousands. It were also to be wished that some of the time spent in *fabricating* the statement given at page 27 of their "Address," had been given to completing the returns so long due to the State. In the meantime, however, that statement may perhaps enable us to see what is likely to be the complexion of the new return. Agreeably to it, the through passengers of May last, which is perhaps rather less than the average month of the quarter, were

This would give for the quarter,	- - - - -	68,424
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It is admitted along the line that the travel of this year is greatly less than that of last year, say from 10 to 20 per cent. Taking it at 12½ only, we should obtain for the through travel of that quarter of last year

- - - - -	76,974
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Whereas the returns for the <i>through and way</i> were only	- - - - -	70,259
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Those returns, when they shall come to be made this year, will give, as I think, not less than 80,000 for the quarter, and more than 300,000 even for this dull year, and even then they will not be complete.

In regard to the Canal, I have been more fortunate. The returns for the present year are in the Treasury, and they afford wonderful evidence of "the power of the press" to increase business, as will now be shown.



The amount of merchandise returned as having passed on the canal is as follows:—

First quarter, superior,	-	-	2,989 tons.	Inferior,	9,945 tons.
Second do. do.	-	-	37,416 do.	do.	189,958 do.
Total,	-	-	40,405		199,903

The growth of this business is really wonderful! In the busy and prosperous year 1846, the quantity of superior merchandise carried in six months was 12,798 tons, while in the dull and unprosperous year 1848, the same period gives 40,405, or *more than treble the quantity*. The whole year 1846 gave but 33,840, while the half of 1848 gives 40,405! Verily, the State is likely to profit largely by the light that has been thrown on the business of this Company. In 1846, the return for the last half year was about 50 per cent. greater than the first half, and if the same result should be obtained this year, *as certainly will be the case*, there will be returned above 100,000 tons against 33,000 in 1846, *while the trade on all other canals and roads of the country is falling off*. Such is the almost marvellous result of advertising!

In 1847, there passed on the canal 133,451 tons of grain, flour, iron, and maize, and yet the whole quantity returned for the year was 109,660 tons!

In May, 1848, the quantity of those four articles was 2730, and yet the whole quantity rose to 9556 tons! Applying the same rule to the whole six months return, we should obtain as the quantity of grain, flour, iron, and maize, 12,000 tons, and above 28,000 tons of groceries, dry goods, whi-key, nails, &c. Taking the second half of the year at 50 per cent. more than the first,\* we should obtain as the whole quantity of these last-named articles, about 80,000 tons, precisely what I have estimated it at (see page 30), and proving conclusively that there passed through the canal last year above 100,000 tons of merchandise that paid to the Company neither toll nor freight, and to the State no transit duty! Even this, however, is not all. The returns now made are *nearer* the truth than those of last year, and that is all that can be said of them. When the Attorney-General shall come to sift the accounts, I entertain no doubt he will find that more than 50,000 tons passed in the second quarter of the present year.

On a former occasion I suggested the examination of the newspapers of the day, with a view to see the rapid movements of the numerous steamboats and barges that carried the little freight that paid toll or transit duty in 1846. Should any of you, fellow-citizens, undertake such an examination, I pray them to remark how many boats and barges there were *and are* that seem to be always arriving, but never departing. That done, should curiosity prompt a visit to the Custom House, provided with a list of arrivals and departures, I would recommend observance of the fact that the consignees of those boats which pass so quickly *seem rarely to pay their respects to the Collector*, and that the number of manifests is wonderfully short of the number of arrivals, although the law requires that every such vessel shall make an entry, and heavy penalties attend the omission. Nevertheless, deficient as are the manifests, I think I can safely promise to the inquirer, even if he be the Attorney-General, *satisfactory evidence* that more superior merchandise passed the canal *in May, 1846*, than was accounted for to the state, or to the stockholders, as having been carried *in the half year*.

I pray you now, fellow-citizens, with the light that has thus been thrown on the operations of these Managers, to review with me the operations of the past year. At page 51, you will see the receipts of the railroad given at \$1,841,635, with every single item, except the mail and express car, estimated below the amount that must have been received. Turn now to page 52, and you will see the canal receipts *admitted* to have been \$255,501. Turn next to page 53, and you will see that estimating *the mere tolls* on the merchandise *smuggled* through the canal, the receipts must have exceeded that amount by \$159,969. By now summing up these quantities we obtain as the *minimum* amount that must have been collected by these men, the enormous sum of - - - \$2,257,105

Of this there was divided among the stockholders	-	-	360,000
And paid to the State	-	-	57,301
Leaving for other purposes	-	-	1,839,804

\* The business of the Canal in the first quarter is always small, on account of the ice.



The amount paid for interest on a debt that should long since have been discharged, and would have been, had the road been honestly administered, must have been about \$157,000. To account for as much as possible of the balance, the expenditures were swelled to the enormous amount of \$835,712, or far more than double what all the business would have been done for by contract.

Even allowing all this, there yet remains above \$800,000 for the use of the Managers in their various capacities of owners of the Trenton Road, owners of Steamboats and Barges, members of the Napoleon Company, of the Union Transportation Line, Merchants' Line, &c., &c., &c.—for there is no end to the names assumed for the purposes of securing profits and evading liability.

The views of these Managers in regard to the construction of their charter are so *very moderate*, that it would seem almost unreasonable in the Court of Errors to hesitate about according with them.

First. They claim that while the Company is limited to \$7 20 per ton, they may monopolize the business, and charge ten, twenty, or a hundred dollars per ton, at their pleasure.

Second. That while others would gladly pay the Company \$7 20 per ton, they shall pay for their towage and transportation anything or nothing, at their pleasure.

Third. That while others pay to the State fifteen cents for transit duty, they shall pay anything or nothing, at their pleasure.

Fourth. That while others are bound to make good all damage or loss, they shall pay to claimants anything or nothing at their pleasure.

All these things are so directly in accordance with law and equity, that the Court must surely reverse the late decision, and thus affirm their right to charge forty cents a basket for peaches, while sending their own to market and paying nothing.

I pray you now, fellow-citizens, to say whether I am, or am not, right in pronouncing this monopoly Company the greatest mass of *fraud, falsification, and imposture*, in the world. Agreeing with me, as I am sure you must, in this, I would next pray you to say, "What should be the action of your Attorney-General?" Can he, do you think, now entertain any doubt that the State has been defrauded to an immense extent, in both transit duties and dividends? Can he, do you think, entertain the slightest doubt that every return has been false and fraudulent? Can he doubt that Treasurers, and Presidents, and Managers, and others, have been cognisant of these frauds? Can he then hesitate as to the performance of his duty? Would he hesitate, on such evidence, to indict the petty thief, the counterfeiter of a one dollar note, the utterer of base coin, or the keeper of a disorderly house, and shall he hesitate because these men are rich, and because they are accustomed to pay large fees, to grant free tickets to their friends, and to give oyster suppers and champagne? It cannot be. He must do his duty boldly and fearlessly. The way is open to him. The evidence is within his reach, and if he fail now he fails for ever.

What now, my fellow-citizens, is your duty? Can you consent to continue longer the existence of a system of iniquity like this—one that fills the State with corruption, and offers to view the example of successful crime leading to opulence, to debase the moral feeling of your children? Can you consent longer to tax your neighbours for the building of palaces whose foundations are laid with false returns made on oath, and whose superstructures owe their existence to the building of boats with your money, to be run with your money, while you receive no portion of their earnings, and are not even paid for the use of your canal? Can you consent to continue to deprive yourselves of the power to make roads through your own lands, upon which to carry your produce cheaply to the best markets, and thus to tax yourselves ten or twenty dollars per acre for the pleasure of making your way through mud and sand to reach the miserable roads provided for your use by these men? Should you not, on the contrary, rise up as one man and determine to exterminate the monster monopoly by passing a general law that would enable all men to associate for the making of turnpikes and railroads, and to select for themselves the road to market, and to go north or south, east or west, as might seem most advantageous to them? To these questions there can be but one reply. The further continuance of such a system would be a disgrace to you—a disgrace to the State—a disgrace to the nation—and a disgrace to the age.

A CITIZEN OF BURLINGTON.

## APPENDIX.

STATEMENT A.

*Of the Number of Passengers, Amount of Passage Money, Transit Duties, &c., on the several Roads of the Camden and Amboy Railroad and Transportation Company.*

	Passengers.	Amount. Dolls. Cts.	Total. Dolls. Cts.	Transit D. Dolls. Cts.
Philadelphia to New York, 1st class.....	20,883	59,623 00	.....	2,088 30
" " " 2d " .....	13,556	31,373 81	.....	1,355 60
New York to Philadelphia, 1st class.....	13,632	40,993 50	90,996 81	1,363 20
" " " 2d " .....	27,745½	63,484 92	.....	2,774 55
Excursion, Philadelphia to New York.....	520	1,857 50	.....	104 00
" New York to Philadelphia.....	909½	3,631 75	.....	181 90
Way to New York and way to Philadelphia,..	531½	2,888 74	.....	
Philadelphia to Amboy.....	423¼	887 05	.....	53 15
New York and Bordentown.....	1,058	2,454 36	.....	42 35
New York and Burlington and Bristol.....	1,738¾	4,311 82	.....	105 80
New York and Rancocas.....		592 50	.....	173 85
Spottswood to and from New York and Phila.,		2,474 67	.....	
Hightstown " " " " " "		7,248 84	.....	
Sandhills, " " " " " "		1,198 04	.....	
Railroad and steamboat passengers between Trenton, Bordentown, Burlington, Bristol, and Philadelphia, .....			11,505 69	
Steamboat passengers between Perth and South Amboy and New York, .....			55,003 77	
Through transportation, including two express lines—34,965 tons, 2 cwt., 2 qr., 6 lbs., .....			4,048 01	
Way transportation, dutiable, 6,321 11 1 23 } not dutiable, 10,058 3 0 19 }		240,152 46	.....	5,244 77
Railroad and steamboat freight between Tren- ton, Bordentown, Burlington, Bristol and Philadelphia, .....		63,282 05	.....	948 24
Steamboat freight between South and Perth Amboy and New York, .....			303,434 51	
Bordentown and Trenton line.....		12,462 21	.....	
Trenton and New York accommodation line,..	2,616	524 83	.....	
Trenton and New York accommodation line, dutiable freight, 186 t's, 5 cwt., 3 qr., 26 lbs., }			12,987 04	
Trenton and New York accommodation line, freight not dutiable, 190 t's, 19 cwt., 17 lbs., }		1,371 03	.....	261 60
Mail Pilot and United States mail lines, via branch railroad, .....	134,579	4,914 67	.....	27 94
Express chest on branch railroad between Philadelphia and New York, 51 tons, 1 cwt., 1 qr., 20 lbs., .....		1,428 85	.....	
Received of Philadelphia and Trenton Rail- road Company, for the use of railroad, cars, locomotives, and steamboats, for transporta- tion of passengers, mails, &c., .....			103,485 84	
			926,606 87	28,190 81

## LETTER TWELFTH.

FELLOW-CITIZENS :

Circumstances over which neither the printer nor myself could exercise any control having delayed the printing of this Review longer than I anticipated, I have had leisure during its progress to pursue my investigations, and having now satisfied myself that frauds upon the State and the Stockholders have been perpetrated to a far greater extent than I had imagined, I am induced to offer you this additional letter, although those already printed have swelled out to a size that I did not at all anticipate. It appears to me, however, better at once to afford you such conclusive evidence of all the facts I have desired to prove, as will forbid the possibility of denial, or of evasion such as has been attempted in this "Address."

Careful examination of the newspapers of the day, and of the records of the Custom House, has enabled me to trace out the passage of *at least* 120 freight barges and steamboats through the Canal in the month of May, 1846. To accomplish this has been a work of considerable labour, for the utmost care seems to have been used to prevent the too frequent appearance of the names of the barges in the newspapers, or in the books of the Custom House, while some of the steamboats appear never to pay their respects to the Collector at all. A barge arrives sometimes twice in succession without having departed. At others she departs twice in succession without having arrived. Some of those regularly engaged in the trade show themselves but once in a month. Others are seen twice, and yet there is every reason to believe that they average a trip back and forth every ten days. Now and then they drop manifests of their cargoes inward at the Custom House, while at others they do the same by those of their outward cargoes. They seem to have free tickets for both Canal and Custom House—to be a sort of "chartered libertines," restrained by no law, *human or divine*.

Nevertheless, amid all this haze, the following trips of the barges can be distinctly made out as having taken place in that month, to wit: The Venus 2, Star 3, Orb 2, Michigan 2, Albany 1, Cayuga 1, Oneida 2, Delaware 2, Whale 2, Mars 2, Middlesex 1, Porpoise 1, Grampus 2, Comet 2, Planet 1, Dolphin 2, Shark 2, Ontario 1, Philadelphia 1, Flying Dutchman 2: Total 34; and as each trip represents a cargo back and forth, we know that there certainly passed, *in barges*, 68 cargoes, but the real number must have been much nearer 100.

The movements of the propeller steamboats are more regularly chronicled, and I am therefore enabled to give in nearly every instance, the precise number of their passages. They are—The Black Diamond 7, Ashland 6, Vulcan, 7, Anthracite 6, Ironsides 7, John C.



Stevens 4, Washington 3: while there is every reason to believe the John R. Thompson and the Ocean each to have made 6: Total 52.

We thus obtain 120 cargoes as *certain* to have passed in steamboats and barges, and if we had manifests we could now obtain, to the extent of those cargoes, the precise weight of superior merchandise that passed the canal in vessels regularly engaged in the trade. Unhappily, however, the number of manifests is but 67, being less by at least one half than should be there.

An examination of those we have, shows all the vessels passing southward carrying very large cargoes, and as the steamboats carry a weight of above 200 tons, and the barges of 170 tons, we might safely average them at 180. Those passing north are lighter, and do not appear to have averaged more than 120 tons, on leaving Philadelphia, but they were, as I understand, accustomed to fill up afterwards with iron at Bristol, and therefore they must have had full cargoes through the canal. Taking, however, these 67 manifests alone, and averaging them at only 150 tons each, we obtain,

tons,	-	-	-	-	-	-	-	-	10,500
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The remaining 53 must have averaged at least as much,

and they would give,	-	-	-	-	-	-	-	-	7,950
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If to this we add for the business in transient vessels only									3,000
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We obtain for the month a total of—tons	-	-	-	-	-	-	-	-	21,450
---	---	---	---	---	---	---	---	---	--------

Whereas there is now on record in the office of the State Treasurer, a certificate signed by the Treasurer of the Canal Company, and *sworn to by him*, in which the quantity passing in *the first six months* of the year, is given at 12,798 tons!

For myself, I entertain not the smallest doubt that there passed on the Canal, *in that month alone*, between twenty-five and thirty thousand tons, whereas the Canal Treasurer *has sworn* that there passed *in the year* only 32,840 tons!

In their reports *to the Stockholders* those Managers certify that the whole quantity that passed in the year was 424,702 tons. (See page 28.) Of this we know that there were of inferior articles 380,691 tons (see p. 29), leaving 44,011 for the superior. We see thus that figures are always manufactured to suit the occasion, and therefore it is that the “accomplished accountant” referred to by the State Directors, is kept so busily employed.

We have now satisfactory evidence that there must have passed in the months of May and June more than was given in the report to the Stockholders as the business of the year, by those “wise and patriotic men,” with whom “the chiefest thing” is the advancement of “the interests of New Jersey,” their fellow Stockholder, who is thus plundered of both tolls and transit duties!

It cannot be doubted that there must have passed in 1846, at least 200,000 tons of superior merchandise, the toll alone on which, agreeably to the tariff, would have amounted to \$400,000, whereas the whole amount credited for tolls on superior articles, was \$35,996. (See page 54.) The balance is still due to the Company, for the



Managers are bound by their own tariff; and whenever, fellow-citizens, you shall send to the Legislature honest, intelligent, and determined men, they will require that tariff to be taken as the measure of all the business of the past ten years that is yet unaccounted for, and it is immense in quantity.

I will now, fellow-citizens, ask your attention to the business of the present year. On former occasions, I stated my belief that the accounts now furnished, although *nearer* the truth, were false and fraudulent, and I will *now prove* them to be so. At page 30 of this "Address," you have a "Statement of the Trade on the Delaware and Raritan Canal for the month of May, 1846," total amount, tons,

84,488

Of which there were of coal, lime, and other inferior articles, 74,870

And of superior articles,	-	-	-	-	9,618
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This differs slightly from the statement I gave at page 30. Salt was there included in the inferior, whereas it should have been placed in the superior class.

At page 29 of the "Address," the "Amount of freight in barges via Delaware and Raritan Canal," for the month, is given as having been "72 barges," carrying 8,640 tons, and leaving but 978 tons for all other modes of conveyance.

The trips *by barges* that must certainly have been made in that month, were as follows: The Orb 2, Comet 3, Porpoise 2, Middlesex 3, Oneida 2, Swan 2, J. M. Hoyt 1, Grampus 1, Star 2, Mars 2, Shark 3, Dolphin 1, Planet 2, Whale 2, Wave 1, Philadelphia 1, Venus 1, Cygnet 1, Albany 1, J. C. M'Allister 1, Miami 1,—to which are now to be added one each for two lines of six boats each, making in the whole 47, and giving 94 cargoes. To this should also be added the extra trips of the Dolphin, Grampus, Wave, Philadelphia, Albany, Venus, and others, that cannot be traced in the newspapers or at the Custom House, and I shall be very moderate in taking one hundred as the whole quantity, giving, at only 120 tons each, the quantity assumed by the Managers, and which I take for this year because boats run lighter than they have done for the two past years,

tons, 12,000

To this must now be added all the steamboat trips, *not referred to by the Managers*, and they are as follows—

The Vulcan 7, Black Diamond 6, Ironsides 6, Dupont 4, Anthracite 7, Rough and Ready 4, and Josephine 4, making a total of 38, which, with an average of only 150 tons each, would give	-	-	-	-	5,700
If now we add for the transient vessels only	-	-	-	-	3,000

We obtain a total for the month of May last, of - - 20,700 instead of less than ten thousand reported to the Stockholders.

I pray you, fellow-citizens, now to determine the value of statements on "personal responsibility," accompanied by a certified account of business on the canal, *from which is excluded all mention of these numerous steamboats!*

By turning now to page 30, you will see that all my estimates of the business, and afterwards of the receipts (see page 53) of the Canal for last year were based upon the statements of the Address, and that I there showed that there were but \$59 in the Canal account that could not be traced to the various articles enumerated in the January report. I now state it as my distinct opinion, that there were carried on the Canal last year 150,000 tons of general merchandise, which added to the 133,451 tons of grain, iron, and flour, admitted to have been carried, would give for the whole quantity 283,451 tons, whereas there are now existing in the State Treasurer's office, returns, *sworn to by the Canal Treasurer*, certifying that the whole quantity was 109,661 tons! Those 150,000 tons of merchandise paid no toll whatever, and paid to the State no transit duty. When the time shall arrive for sifting the accounts, it will be found that there have been carried on the Canal, in Managers' barges, 800,000 tons that have paid not a cent for either toll or transit duty,—and therefore the deficiency in their accounts must be far greater than has been estimated in any of the previous letters.

The total amount of superior merchandise that paid duty in			
1846 and 1847, was	-	-	tons, 142,501
The quantity that passed in those years must have been			480,000
Leaving unaccounted for			337,499

Upon which *the duty alone*, leaving altogether out of view the unpaid tolls, would be \$27,000.

Everything, too, tends to confirm the belief that the returns for transportation on the Railroad are scarcely more than half the truth. Why should it be otherwise? We here see passengers on the road cut down by tens of thousands, and transportation on the canal by hundreds of thousands, and how can it be doubted that tens of thousands of tons of merchandise have passed on the Railroad, paying to the Stockholders no toll, nor to the State any transit duty?

If any of you, fellow-citizens, will look at the Burlington, and see her great size, and mark the number of her trips, you will be satisfied that she carries annually more than double the quantity of merchandise reported as passing from city to city. A propeller carries 200 tons. The Burlington can do as much, and she passes daily back and forth, and yet the whole quantity of through merchandise is given at about 100 tons per day! She could have carried that quantity before she was enlarged. If the business to be done were no greater, why was she enlarged at so heavy a cost? It is my confident belief that the through merchandise on the road exceeds 70,000 tons.

I pray you now, fellow-citizens, to look to the position in which you, as Stockholders in this Company, are placed by these men, and determine if it be possible that there should be in the world a greater mass of infamy and iniquity. You gave a charter, limiting the Company to a charge of \$7 20 per ton. A portion of the Stockholders seize on the trade, and charge from \$11 20 to \$22 40 per ton, and then give you seven, five, four, or perhaps only three! You gave them a charter for a Canal, by which they were limited to four cents

for *toll and transportation*, and those same Managers make a tariff on transient vessels, by which they charge on all but very common articles four cents for *toll alone*, and thus shut out almost all such vessels. That done, they build boats with your money and barges with their own, and they carry hundreds of thousands of tons, upon much of which they charge six cents per ton, per mile, for towage and transportation, and allow you *nothing for toll*, while filing false returns by aid of which they defraud you of the transit duty you had reserved. By thus violating the law they involve the Company in difficulty that renders it impossible to collect their current freights, while subjecting it to demands for overcharges to the amount of many hundreds of thousands of dollars, and penalties amounting to many millions—penalties for which your Canal and Road are liable—while you, the owners of the Canal and Road, have not been allowed more than one half of what the law allowed, and in many cases nothing.

The Canal yielded last year in tolls, as admitted,	-	\$255,000
And there were carried on it no less than 150,000 tons that should have given for toll and transportation, at least		300,000
		<hr/>
		\$555,000

The expenditures, even including an outlet lock that was made, as I understand, in violation of law, were	-	93,000
		<hr/>
		\$462,000

The cost of the work, including all the “thimble-rigging,” was less than \$2,900,000, and thus, even under its present management, it would pay a dividend of 15 per cent, yet we have here an “Address” in which the abuses of the road are apologised for by a detail of the sacrifices incurred in making and maintaining a canal that if honestly managed would yield a larger income than any other public work in the Union; and we are assured that it has been a “burthen,” the total net receipts from which have been but \$689,561 29, or little more than  $1\frac{1}{2}$  per cent per annum on its cost! It certainly is no wonder that they should have been so small. They would have been smaller had the Managers “appropriated” all the tolls on transient vessels, as well as those on merchandise carried by their own.

I pray you now, fellow-citizens, to look to the demoralizing and degrading effects of the system. This “Address,” which is a reply to papers denouncing the very abuses that I have now demonstrated to exist, boldly denies them all, speaks of the “false representations of disappointed and unprincipled men,” and assures you that the books and papers “have been examined,” and that “not a dollar has been expended that has not been laid before and approved by Directors as well as Stockholders,” when it is notorious that no statements except the miserable ones of which I have now furnished you with copies have ever been laid before the Stockholders, and equally notorious that *inquisitive* Directors have been excluded, and that *inquisitive* Stockholders were much more likely to receive answers from the foot than from the tongue; and yet, wonderful to say, this “Address” is signed by men who bear good characters, by legis-



lators, politicians, merchants, and even by one officer of the general government! Such are the demoralising effects of the monopoly system. It is time that you, fellow-citizens, should determine to make roads for yourselves, when and where you please, instead of asking these men to make roads for you with *your transit duty money*, and *your tolls*, as is now the case. When you shall do so, as you certainly must soon do after the Attorney-General shall have fully exposed the rottenness and infamy of the present system, the State will become one of the richest and most prosperous in the Union, and you will then wonder that you should ever, even for a moment, have been led to believe that you were to be enriched by granting monopolies of the transportation through the State.

I have shown that the manifests at the Custom House for May 1846 are about one-half as numerous as the voyages that were made. In the present year it appears to be still worse. The whole number of voyages cannot have been less than 138, yet there are but 61 entries of barges and steamboats on the books. The number of barges admitted by the Managers to have passed is 72, yet only 35 of them entered or cleared. For this there must be some good reason. The penalties in case of neglect or refusal so to do are heavy, being fines on the captain in the first instance, and extending to forfeiture of the vessel in, as I think, all these cases. As the owners must have been aware of the risk they ran, it becomes important to ascertain what was the object for the accomplishment of which so much hazard was incurred. We have seen them smuggling merchandise through the Canal, and passengers and merchandise on the Railroad. Can they have been smuggling foreign merchandise? The boats will probably be seized, and the Secretary of the Treasury will then perhaps obtain an answer to the question.

Their seizure will probably result in the discovery of the names of the legal owners of the boats and barges that thus pass free of toll or duty on the Canal, to the great joy of the unfortunate people who have for so many years been unable to discover against whom they might bring suits for goods damaged or lost. It is well known that with a view to defraud the owners of merchandise out of their claims for loss or damage, the licenses or registers of all these vessels are issued in the names of men of straw, who are obliged to swear that they are the real owners, in violation of the revenue laws of the Union. One man thus swears that he reports all the passengers, another that he returns all the merchandise, another that he owns boats and barges, and another "solemnly avers" that he has endeavoured to discharge his duty to the State and Stockholders, and all these oaths and averments are of precisely equal value.

That you may, fellow-citizens, understand the system that is maintained in existence by your laws, to the utter disgrace of the Commonwealth, I state that almost all these boats go to one agent who represents a parcel of lines, as they are called—the Merchant's line, the Union line, the Swiftsure line, &c., &c., all of them being one and the same thing. To one man is given a receipt in the name of one, and to a second in that of another, and so on, and yet when loss or damage happens, it proves that there is no line at all, and that the

*things* are all merely portions of the general system of imposture, and the unhappy merchant is referred to the owner of the boat, who is, generally, a mere man of straw who is willing to be sued for a commission, as he has nothing to pay. In this way claimants are baffled for years, until at length they perhaps abandon their claims, while the real owners pocket perhaps double the freights allowed by law, allowing the Company no toll, and leaving it to settle with the world for overcharges and penalties. Take it all together it is certainly the most extraordinary mass of fraud and imposture in the world.

With the seizure of the boats, the real owners will become legally known. They are generally understood to belong to the Napoleon Company, whose Stockholders are thus given in a Bill in Chancery, filed in Trenton last year by J. D. Hagar, with a view to obtain an examination of the accounts of this sub-company, of which he had been for many years a stockholder. It is a curious paper and well worthy of examination by those who desire to understand the operations of the great company.

R. L. & E. A. Stevens,	-	-	-	-	50 shares.
Robert F. Stockton,	-	-	-	-	22 "
John Potter,	-	-	-	-	20 "
James Neilson,	-	-	-	-	12 "
W. J. Watson,	-	-	-	-	10 "
James Bishop,	-	-	-	-	8 "
John D. Hagar,	-	-	-	-	8 "
Isaac Fisher,	-	-	-	-	7 "
Lawrence Fisher,	-	-	-	-	6 "
Miles C. Smith,	-	-	-	-	7 "
Benjamin Fish,	-	-	-	-	6 "
John R. Thompson,	-	-	-	-	5 "

And sundry others holding thirty-nine shares, and making in all 200.

One of the chief stockholders appears to be the President of the Canal Company. The boats understood to belong to this Company appear to have been habitually violating the revenue laws—being first registered in false names, and then passing back and forth with large cargoes, embracing great quantities of foreign merchandise, without making their appearance at the Custom House. It would seem to be incumbent upon the canal president to let the world know accurately who are the real owners of these boats, and thus relieve himself from the suspicion of participating in these transactions. Should he fail to do this, it would seem to be an admission of the correctness of the general impression that he is largely interested in them, and to make a proper case for inquiry by the Secretary of the Navy, for if officers of high rank lend their names to such proceedings, what is to be looked for from those in low ones?

The day of settlement has come, and the Secretary of the Treasury, the Secretary of the Navy, the Collector of Philadelphia, the Attorney-General and the Governor of New Jersey, the Legislature of the State, the claimants for overcharges and penalties, and you, my friends and fellow-citizens, have much to do. You have to rid

yourselves, the State, and the Union, of this corrupt and fraudulent monopoly, and the more effectually the work shall be done the more rapid will be your advances in prosperity. To accomplish that great object nothing is needed but that each man should insist upon payment of his own claims.

I have been told, fellow-citizens, by friends of the Company, that if I ventured to communicate to you all the facts I have gathered, and my inferences therefrom, I should find myself involved in numerous suits for libel. That such should prove to be the case, would not surprise me, for I am well assured that no effort will be spared to muzzle the press, and thus prevent information from reaching you in relation to this most important question: and yet, after a careful reperusal of all I have written, I cannot see that I have said anything that should produce such a result. I have merely appealed from Philip drunk to Philip sober, placing in contrast with each other the various statements made by these Managers themselves, at various times and to various persons. If they are dissatisfied, it should be with each other, for *they are themselves their own libellers*, and they should *sue each other*. The man who *swore* that only 200,841 persons crossed the State, should sue the one who *reported* that 200,840½ were carried "from city to city:" and he who *swore* that only 109,661 tons passed the Canal, should sue him who *reported* that 134,451 tons of grain, flour, and iron, alone, did pass: and he who certified that only 219,601 passengers were carried in *eleven* months of 1847, should sue him who swore that 203,925 were carried in *nine*: and he who swore that only 12,798 tons passed the Canal in six months of that year, should sue the agent who allowed so many manifests to be recorded at the custom house—and so on: but why they should implicate me in these matters, I cannot imagine. I should be perfectly willing to act as judge between them, and to examine their papers, with a view to decide whether the fraud in the *returns to the State*, or in the *reports to the Stockholders* was greatest; but that is all that I can do for them. If they can clear themselves of the charge of defrauding the State as a collector of duties, it must be by proving that they had deceived her as a Stockholder, entitled to dividends. Upon one of the horns of this dilemma they must hang themselves, but which it is I cannot undertake now to decide.

If, however, they should really think that they have cause to complain of what I have said, it will afford me pleasure to meet them before three honest, intelligent, and independent men, with their books and papers; and if I do not then prove all that I have asserted, I will consent to be branded as a libeller, and will submit to any penalty that may be awarded, confessing judgment on the instant. All this can be done in a single week from the day of publication of these letters, and thus reparation will follow closely on the heels of wrong.

To such a course I can see but one objection. *It would bring the books and papers out.* A suit at law might be protracted for years, and it might give to the world an appearance of demanding satisfaction, while *it might never become necessary to produce the books and papers*; and therefore I suppose that course would be preferred. I



pray you, fellow-citizens to watch it. If I have done these men wrong, and they are really innocent, they will desire to prove it instantly, and will adopt the first course. If I have done them no wrong, and they know themselves guilty, they will prefer the second. A suit at law may thus be regarded as a record of the plea of guilty of what has been laid to their charge. If they desire the world to believe them innocent, there is but one course open to them. *They must produce the books and papers.* Law-suits will not answer the purpose, nor will "addresses." That trick is already stale. Perfect publicity, such as exists in every honestly managed company in the Union, will alone save them. Where concealment is obvious, there is always reason to suspect fraud.

The question that I have undertaken to discuss, fellow-citizens, is *the great question for New Jersey to decide.* It is tenfold more important to you than that which is to be settled at the approaching presidential election, and to its discussion the press should be perfectly open, whereas it is so completely muzzled that it is next to impossible that a word of truth should reach your ears. The position you occupy is admirable, and the State would become one of the richest of the Union, could it relieve itself from the control of these railroad kings, who are sucking its heart's blood, and boldly assert its freedom to make roads when and where it pleased. I pray you, therefore, to examine carefully with me that position and your present policy, with a view to determine what shall be your course in future.

You have the great highway of the Union, with a great city on your right and left; and millions of people, and millions of tons of merchandise, superior and inferior, would cross the State annually, could it be done rapidly and cheaply. You have desired, however, to tax your neighbours, and with that view have granted to this fraudulent Company a monopoly of the trade and travel across the State, by aid of which they are enabled to demand \$4 when they should be satisfied with \$2; and thus you impose a tax of \$2 on your neighbours, in order that you may get ten cents, *whenever they please to pay it.* You claim fifteen cents on a ton of merchandise, and they take \$10 or \$20 when they should have \$3, and they pay you your share, *or not, at their pleasure.* You claim 8 cents on another ton: they take \$6 when they should have \$1 50, and then pay you, *or not, at their pleasure.* You are doing what is not, I think, right; but the great grievance lies in your manner of doing it, by which you impose heavy taxes on others to get little for yourselves.

The real grievance lies in the monopoly, and not in the transit duty. That alone would be unthought of. It matters little to the traveller whether he pays \$2 or \$2 10, and as little to the trader whether he pays \$3 or \$3 15; but the difference between \$2 and \$4, and between \$3 and \$15 is great, and hence it is that there exists throughout the Union so much feeling on the subject.

The monopoly privilege was unconstitutional, beyond a question. If any doubt this, let them read the opinion of Chief Justice Taney.\*

\* "I cannot think that a legislative body, holding a limited authority under a written Constitution, can, by contract or otherwise, limit the legislative power of their succes-

No body of legislators can tie up the hands of their successors. Those of 1830 chartered roads to run where they pleased, and their successors may also charter roads to run where they please.

By the charter of the Company it is provided that on the completion of another road across the State, the transit duties shall cease; and there are many of you, fellow-citizens, that would hesitate to abolish this monopoly lest you should lose the pitiful sum now paid into the treasury. It is pitiful, for you pay dollars where you receive cents.

The Company is now, however, in your hands, to be dealt with as you please. You granted them a charter on certain conditions, which have not been complied with. They have charged far more than you allowed them, and have paid you far less. They were to make honest returns, which they have not done. They were to pay you 10 cents on passengers, and 15 and 8 cents on merchandise, which they have not done. You have now abundant evidence that they have not done these things, and that you can have no reliance upon their ever doing them. Their charter is null and void, and you have but to declare it so, and the roads and canal will then become common property, to the infinite advantage of the State—or you may now, if you will, make new terms with the Company, requiring them for ever, on condition of being permitted to exist, to conform to all laws made for the government of other railroads, and then pass a general law authorizing the construction of other roads throughout the State, and requiring all who pass between the waters of the Delaware and those of the Raritan to pay the same duty that is now collected. The direct effect of such a measure would be the construction of several roads, and the reduction of the tolls to a rate so moderate as to quintuple the amount of transportation of men and merchandise, and to give you \$300,000 where now you have but \$57,000. You would thus reduce the taxes on your neighbours and yourselves, while giving to yourselves the facility of reaching your natural markets at small cost for freight or passage. The consequence would be that all the lands of the State would be trebled in value, and your towns and cities would grow, and rents would rise,

sors. The power which the Constitution gives to the legislative body, must always exist in that body until it is altered by the people, and cannot be restricted by a mere legislative act. If they can deprive their successors of the power of chartering companies of a particular description or in particular places, it is obvious that upon the same principle they might deprive them of the power of chartering any corporations, for any purpose whatsoever; and if they might, by contract or otherwise, deprive their successors of that legislative power, they could surrender any other legislative power whatever in the same manner, and bind the State for ever to submit to it. The existence of such a power in a representative body has no foundation in reason or in public convenience; and is inconsistent with the principles upon which all our political institutions are founded. \* \* \* In my opinion, therefore, the agreement contained in the act of March 2, 1832, is not binding on the State of New Jersey, so far as it proposes to restrain future legislative bodies of that State from authorizing the construction of a railroad within the limits mentioned in the act of Assembly. And the legislature may now lawfully grant the power to make such a road to any company already incorporated, or hereafter to be incorporated. \* \* \* Every one is so far presumed to know the law, that in ordinary cases, civil and criminal, he is bound as if he did know it. The Corporation, therefore, ought not to have relied on a pledge which they were bound to know the legislature had not the constitutional power to give. If they have done so, they must abide the consequences."

and universal activity and energy would take the place of the torpor and inactivity by which the State is now distinguished. Your sons would cease to run away to the West, for factories would be built, and large farms would be divided into small ones, each yielding more than is now yielded by the whole; and their occupants would become rich, and your daughters would be married, and you yourselves would be surrounded by happy children and grandchildren.

Look at it in whatever light you may, fellow-citizens, you will see reasons for exertion. The cause of truth, of morality, and of justice requires it. Your own future happiness and prosperity, and that of your children and grandchildren, require it. The character of the State requires it. Rouse yourselves, then, and determine to send to the Legislature none but good and true men, such as can be relied upon to look to your interests and those of the State: men who will not "falter" in their "duty" to their constituents: men who will "lay their hands" on these "charters," and say to these Managers:—"You have violated your contract, and it is at an end. You hold your existence at our pleasure. We are ready to make terms with you, and to put you on as good a footing as others, but no better. We will make roads when and where we please, and we will tax travellers and merchandise if we please, and you must pay the same taxes as others; and if you are not satisfied with this, your own power to collect tolls upon your roads and canal shall cease." Do this, fellow-citizens: send to the Legislature such men, and the Union will soon cease to complain of the State, while the State itself will grow so rich as to cease to need transit duties.

Honour, honesty, common sense, truth, and justice point in the same direction—to the abolition of the monopoly. Follow in it, I pray you, fellow-citizens, and for so doing you will receive the blessings of your children and of your children's children.

A CITIZEN OF BURLINGTON.



# ERRATA.

- |   |   |
|---|---|
| Page 11, line 9 from foot, for "evidence" read "pages."         | Page 53, line 14 from foot, for "local," read "lock."             |
| " 21, at foot of column, for "12,5250," read "12,525½."         | " 60, line 4 from foot, for "Dec. 1, 1843," read "Dec. 31, 1843." |
| " 21, next line above, for "210,3950," read "210,395½."         | " 61, note, for "10," read "15."                                  |
| " 27, line 7, for "33,840," read "32,840."                      | " 62, line 15, for "runs," read "run."                            |
| " 30, line 17 from foot, for "414,533," read "413,531."         | " 62, line 9 from foot, for "owned," read "found."                |
| " 30, line 5 from foot, for "two-thirds," read "three-fourths." | " 62, line 22 from foot, for "\$32,000," read "\$27,000."         |
| " 42, line 6, for "nearly," read "above."                       | " 63, line 13, for "6746," read "6836."                           |
|   | " 63, line 10, for "in that," read "last."                        |
|   | " 70, line 9, for "33,840," read "32,840."                        |